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SOCIALISTS' SIMONET ON EUROMISSILES, ARMS TALKS

Brussels LE SOIR in French 24 Jan 83 p 3

[Interview with Henri Simonet of the Belgian Socialist Party by Francis Unwin; Brussels; date not specified]

[Text] It has been repeated often enough: The year 1983 which will theoretically see the deployment of the Pershing-2 and "cruise" missiles in case of the failure of [the] Geneva [arms talks] will be crucial for the future of relations between Europeans and Americans, and between Americans and Soviets. The meeting to be held on Sunday and Monday by the Scandilux group in Bonn, one that will bring together several European Socialist parties, constitutes an important element in a constantly evolving situation. We asked Henri Simonet, who will represent the French-speaking wing of the Belgian Socialist Party together with Mr Cudell and Mr Glinne, four questions. The first related to the fundamental divergences separating the positions on the subject defended by the Francophone Socialist and those, much more radical, of the Flemish-speaking wing of the Belgian Socialist Party.

[Answer] The positions of Karel van Miert [president of the Flemish-speaking wing of the Belgian Socialist Party] have the merit of being clear and evidence a determination to open a dialogue. There is thus at least one Belgian political party aiming at being in the government for whom Euromissiles cannot be installed in Belgium whatever the results in Geneva. A possible consequence is that this party, which may one day participate in the government coalition, would defend there the idea of a denuclearized zone to be established in a region determined by the following criterion: No stationing of nuclear arms on the territory of non-nuclear European powers. This is

an element in the situation which must be added to different positions and various ideas voiced in the discussion on the twofold decision of NATO made in December 1979. All this falls into the context of the major strategic discussion under way for several years now but which sooner or later will have to come to an end: It is not possible to continue to live in the midst of uncertainty, in a fictitious world and surrounded by suspicion. The outcome of the discussion will make evident the fragility of the [Atlantic] Alliance or, contrariwise, the renewed bases of its justification. That is why a lot of importance must be attached to the deliberations of the European Socialist parties. It is not conceivable that there should not be any doctrine when Europe's security is involved. In this matter foreign policy becomes an integral part of domestic policy. One witnesses an extraordinary effervescence of ideas which has not been seen for a decade. We live in an intense climate of maneuvers, of projections of an image which entities wish to give of themselves. Yes, 1983 will be a crucial year for Europe, the year when it will have the occasion to assert itself as a political entity, capable of expressing a common opinion. The political parties will have to confirm their approval of NATO's twofold decision of December 1979, oppose it, propose to amend it, or what have you, but in any case expose their ideas.

[Question] Specifically, how should one reach that stage since everything is apparently in a state of flux?

[Answer] It is true that in a 6-week period we have heard the proposals of Yuriy Andropov, those of the Warsaw Pact. They reflect the resolve to promote negotiations, naturally in a manner compatible with the strategic interests of the Soviet Union. The Soviets are looking for a break in equilibrium between superpowers and splintering among the Atlantic allies. They also indicate a will to participate actively in better security arrangements in Europe. It is necessary to beware of two errors: The first is the doing of some American circles and consists in recognizing in the Soviet argument only the "calculating" side. The second is the doing of some European circles which wish to recognize only the [Soviets'] peaceful rhetoric and their disposition to negotiate. The Soviets are simultaneously aware of the effectiveness of their strike force and, since there is an imbalance, of their vulnerability if the [Atlantic] Alliance should abide by its twofold decision of 1979. They are aware of the impact on governments of the fears of a sizable segment of the public and they have the talent to play it for what it is worth even though one should not commit the error of believing that the groups opposed to nuclear arms are necessarily manipulated. the USSR is also aware that the March 1983 elections in the Federal Republic of Germany can have serious consequences for that country's

political equilibrium and the cohesion of the Atlantic Alliance. In the meantime, and what I say is conditional for we have entered an active stage, no detailed proposals have yet been made. There are only declarations and allusions to intermediate solutions between the zero option and the 729 SS-20's [Soviet missiles] already in place. And the departure of Walter Rostow [from the arms talks] has generated concern among many Europeans. Let us put it bluntly: At times there is a credibility problem among the Americans, too. Yuriy Andropov's proposition, which I would like to believe is a starting position, would serve, if it is accepted, to confirm a position of disequilibrium. This is an imbalance which occurred in the second half of the 1970's. It is necessary to recall that it is Helmut Schmidt himself who, as early as 1977, requested the United States to strive to restore the European strategic balance by prohibiting the Soviet vectors from being able to reach Europe's vital centers or from threatening to destroy its defense capability. Furthermore, the delay in getting the Geneva negotiations under way on the Euromissiles cannot be blamed on the Alliance. It took more than a year and a half for the USSR to abandon its intransigent position which strived to put pressure on the European allies, threatened with an absolute refusal of negotiation as soon as the decision to produce the Euromissiles and deploy them would have been taken. The fact that after more than 1-1/2 years the Soviet Union should have decided to negotiate undoubtedly justifies the position of those, including myself, who have always held that there would be no negotiations likely to lead to a reduction of these armaments if the Soviet Union did not face a strong political resolve, a resolve to take the counter-measures called for by the intransigence of the Soviets if the latter did not modify their attitude.

[Question] What is your opinion of the theories according to which the Alliance should explicitly assert that it will not be the first to use nuclear weapons?

[Answer] The veritable dynamic element is uncertainty: One can never be sure that nuclear arms will not be used. Hence the justification of the decision of December 1979 seen from the viewpoint of Europe's security. The USSR being capable of striking with Euromissiles, the United States would have no choice but to use nuclear weapons right away by calling on its submarines and bombers and in this way initiating inter-continental warfare. Let us add for the attention of those who favor denuclearization that it is the superpowers and not the Europeans who decide whether nuclear weapons will be used or not. Having said that, the Europeans have deduced from statements by some American leaders that nuclear arms constitute no longer a means of deterrence but rather a factor in a war that can be won. Instead of making war impossible it is

recognized that it is possible and that one wants to win it. Under these conditions the Europeans have some reason to wonder where such a war would be waged, all the more so as some comments have evoked the possibility of a war limited to Europe. And other Americans defend the thesis of non-first use of nuclear weapons. Now, the first use of nuclear arms is an essential element in graduated response which is premised on the Alliance's inferiority in conventional weapons and whose corollary is the possibility of resorting to tactical nuclear arms. The Soviets also have these intermediate weapons (SS-20's) endowed with great accuracy. Hence the possibility on their part to be the first to use nuclear weapons. In this context, the political-diplomatic maneuvers are very clear: The USSR wishes to be the first, by means of a sort of reverse deterrence, to be able to exercise political pressure on the Europeans so that they accept being neutralized in case of a conflict in the European theater. If the Soviet Union were to succeed in stealing the "first use" from the Atlantic Alliance and if the conflict were to extend to the European continent, in a best-case scenario, that is, if this first use of nuclear weapons were excluded, the result would be a conflict between conventional forces which it is known the Atlantic Alliance cannot win.

[Question] Thus, do you see the effective installation of the Euromissiles by the end of 1983 if the Geneva talks are not successful?

[Answer] Whoever talks of change talks of modifications in positions. It is not possible to prejudge what orders of magnitude will be reached. But what seems essential for the survival of the Atlantic Alliance is that the intent of NATO's twofold decision not be touched. The keystone of the Alliance is to continue to discuss and to be armed. To strive for a level of armaments that is constantly lower but also to conserve one's defense capability. If the Americans were persuaded that the Europeans are interested "only" in negotiations, there would be an open crisis in the Atlantic Alliance. In these negotiations in which they have sought involvement, it is necessary that the Europeans, among themselves and in harmony with the Americans, should define the conditions that they feel to be those of their security, the role that they seek to play in it, and the consequences flowing from it. Otherwise, how could they enlighten their American allies and even make the position of the two superpowers more flexible? If one does not know what one wants, how can one convey to others what one wishes to do to insure one's own security?

THEATER FORCES

FEDERAL REPUBLIC OF GERMANY

BRIEFS

SPD OPPOSES MISSILE SITE SECRECY--Mainz, 30 January--The chairmen of Federal and Land SPD parliamentary deputies have demanded a public announcement of the locations in the Federal Republic where new nuclear missiles are to be stationed, as is customary in the United States and in other European NATO countries. In a conference in Mainz this weekend they unanimously supported a resolution which states that keeping the locations secret cannot be justified on military grounds, any more than it can be based on security reasons connected with them. This was also true of the storing of chemical weapons. Rhineland-Palatinate SPD Chairman Hugo Brandt had demanded the disclosure already at the time of the Schmidt-Genscher government, but the then defense minister, Hans Apel (SPD), had not gone along with it. [Text] [Frankfurt FRANKFURTER RUNDSCHAU in German 3 Jan 83 p 1] 8790

CSO: 3620/221

BRUNDTLAND, BENKOW EXCHANGE CHARGES IN TNF DEBATE

Brundtland Applauds Tromsø Party Decision

Oslo DAGBLADET in Norwegian 31 Jan 83 p 7

[Article by John Arne Markussen: "Rocket Joy and Delight"]

[Text] "I was excited beforehand, and of course I am glad the proposal of the rocket committee and the central committee was well received. I started out with something I believe in myself, and was conscious that this would be the first test of the proposal in a broadly constituted party forum."

That is what Gro Harlem Brundtland, chairman of the Labor Party, said after the annual meeting of Troms Labor Party had almost unanimously adopted a resolution that gives full support to the party's proposal on the rocket issue.

There were 174 votes for the resolution, while 11 voted for a dissent from the "no" to stationing of medium-range rockets--regardless of the results of the negotiations.

Different Interpretations

But the annual meeting demonstrated fully that the rocket proposal gives room for various interpretations. Everybody talked about *objectives* for a disarmament policy, a *negotiations policy* that is drawn up by the rocket committee, but few said anything about what must be the party's definitive *standpoint*. The slogan about peace in the party caught on, and several speakers emphasized the significance of a unanimous resolution.

Leif Tverseth, AUfer [member of the Labor Party Youth Organization] and member of the drafting committee that presented the dissent from "no" to stationing, told DAGBLADET after the meeting:

"I interpret it as meaning that the annual meeting wants a united party and for that reason did not wish to agree to our proposal. But from the debate and the atmosphere at the meeting, I still believe that the real support for our proposal was far higher than the votes we got."

Nobody for the Double Resolution

Of the long series of speakers that took the floor in the debate after the party chairman's introductory address there were none that opposed the idea of freezing nuclear weapons or that defended the party's position of 1979 when it supported the [NATO] double resolution.

In her introductory address Brundtland said that there "was no reason to turn back." She strongly urged supporting the central committee's proposal.

After the meeting a clearly pleased party chairman said: "The debate confirms the very strong commitment there is against atomic weapons and that we have now come to a crossroads where people want new answers on how we shall arrive at disarmament."

Parade

The party leadership's proposal providing for a "freeze," real negotiations, and a postponement of the question of stationing or no stationing [of rockets] was to be tested in Troms. For Gro Harlem Brundtland the test was a pure parade.

In Troms the rocket opponents feel that they got quite a lot in that the "package" has an overriding objective--"no" to stationing. And time is working for them.

Gro Harlem Brundtland also saw to it that something was given to the opposite wing by calling attention to Odvar Nordli's entry into the minutes. "I say as he does," she said: "I reserve the right to present my own appraisals and objectives on adherence to and carrying out of the resolution of 1979!"

The party chairman also emphasized that in the Labor Party there is "no debate on NATO membership."

Division Reported Among Peace Group Leaders

Oslo DAGBLADET in Norwegian 31 Jan 83 p 8

[Article by Pal T. Jørgensen]

[Text] Has war broken out among the peace women? Have personal oppositions and internal disputes led to a split in the group of five that took the initiative for "Peace March '82"? According to reports from Moscow--where four of the five peace women have been for a seminar--Eva Nordland has now been expelled from the group of leaders.

"We are not enemies, but there are things we look at very differently," one of the five, Maria Larsson, tells DAGBLADET.

It was the NRK [Norwegian Broadcasting Corporation] correspondent Hans Wilhelm Steinfeldt who first reported the split among the peace women yesterday. In his report from Moscow, where four of the five leading peace women took part in a seminar over the week end, Steinfeldt said that Eva Nordland has been put out of the group.

Personal Reasons

"During the seminar here in Moscow all the leaders of "Peace March '82" were present except Eva Nordland. According to NRK's information Eva Norland is now out of the group of Nordic peace women that took the initiative for the peace march last summer. There are said to be not political but personal reasons for Eva Nordland's no longer functioning in the group," said Steinfeldt.

It has long been known that during the peace march last year there were personal antagonisms among the five leading peace women, in some cases strong ones. Besides Eva Nordland the so-called "Moscow group" included the Norwegian Maria Larsson, Aagot Ljung from Finland, Inger-Brita Melin from Sweden, and Janne Houman from Denmark.

Rumors

The internal disputes during the peace march centered largely on the way Eva Nordland operated. Finally relations became so bad that there were rumors that Nordland had entered into agreements with the Russians behind the backs of the other leaders. Nobody found any evidence, however, that these rumors were true.

But at the end of the march the cooperation among the five leaders was close to turning sour altogether. The cause was the dispute over whether the march should go to the Katyn monument or not. Many of those taking part in the march were against it--including four of the five leaders--because Katyn is so easily confused with another Katyn where several thousand Polish officers were massacred during World War II.

After a somewhat disorderly poll of the marchers it was decided that the march would go to Katyn. But the only one of the five leaders that took part was Eva Nordland--a thing that the four others did not view especially favorably.

After the peace march was over the Moscow group had a joint meeting. That was in Stockholm last fall. Eva Nordland was present at parts of the meeting. Sickness in the family caused her to return home to Oslo quickly. During the Stockholm meeting the peace women laid plans for a peace seminar that was to be held in the Ålands this summer. It is not clear whether Eva Nordland will be in on that seminar.

"Now we are each one working at what we find natural. Not all of us can work at the same things," says Maria Larsson.

But Larsson denies the assertions that Eva Nordland has been put out of the Moscow group. There is really no group to be put out of, she says. The Moscow group was dissolved after "Peace March '82." The peace women have just continued an unofficial cooperation, says Larsson.

"But it is clear that it has been difficult to cooperate on one thing and another. We have disagreed in various ways. But in spite of everything we have worked our way through the difficulties," says Larsson.

Eva Nordland herself also says she does not understand the assertion that she has been put out of the group of the leading peace women.

"I am very much surprised at what has come out on the NRK," says Eva Nordland.
"I do not feel that I have been put out."

"Will you take part in the work with the Ålands seminar?"

"There are so many other things going on this year on the peace front. I do not know yet how we shall divide our forces," says Nordland.

Conservatives' Benkow Charges Harm Done

Oslo AFTENPOSTEN in Norwegian 5 Feb 83 p 3

[Report of an interview with Jo Benkow by Terje Svabø]

[Text] "Gro Harlem Brundtland had better think again before she does more harm than she can mend." That is Conservative Party leader Jo Benkow's message to his counterpart in the Labor Party after Gro Harlem Brundtland's strong attack on President Reagan and the reorientation in security policy. "The Labor Party is stabbing Norway's allies in the back and is perhaps unintentionally giving ammunition to those who want to see Norway out of NATO," says Benkow. Concerning the attack on President Reagan he says that it sensationally throws suspicion on the leader of Norway's principal ally.

In the Conservative Party the Labor Party's very fast flight from security policy positions has been followed with excitement and even dismay. Among responsible Conservative politicians there are few that rejoice that the all-party unity on Norway's security policy appears to be broken. Labor Party and Conservative Party leaders are hardly in agreement on who is most to blame for the development, but the starting point for a discussion must in any case be that it is the Labor Party and not the Conservative Party that has departed from NATO's negotiating strategy.

The debate in the Labor Party is filled with increasing confusion, a confusion that reached its peak for the time being with the foreign policy committee's report Thursday [3 February] according to which the Labor Party members support the [NATO] double resolution. Gro Harlem Brundtland, however, has already come out and reassured the left wing of the party: The "blunder" will be straightened out in the coming Storting debates.

It is natural in an interview with Jo Benkow, parliamentary leader and chairman of the Conservative Party, to start with the question of what he thinks is the cause of the Labor Party's about-face.

[Answer] We all share the fear of the consequences of the increasing atomic arms build-up. That fear is common to all mankind and crosses both party and national boundaries. But that circumstance must not lead to NATO's negotiating position at Geneva being less solid and consistent.

NATO's negotiating position calls for a real reduction in the number of atomic weapons. As is well known, that is the position that the Nordli government

adopted in 1979.

In December 1979 the then Labor Party government supported a negotiating position that the great majority in the Storting thought was the best means of turning the trend in the direction of fewer atomic weapons.

Party Tactics

In the Conservative Party we have devoted a great deal of thought to discovering what can explain the Labor Party's about-face. An analysis of the power politics situation has not given us the answer. The answer must therefore lie elsewhere. I assume that it will cause no surprise in the Labor Party that more and more people are now inclined to the view that the party's flight from the [NATO] double resolution is due to the need for unity in the party itself. I should like to emphasize that this view does not mean that the Labor Party does not, like the Conservative Party, have a genuine desire for disarmament.

[Question] But, Jo Benkow, what is the consequence of the Labor Party's reorientation?

[Answer] In its zeal the Labor Party has gotten into the situation of stabbing Norway's allies in the back. In its own words the party is expressing a growing distrust of Norway's biggest and most important ally. In reality the Labor Party expresses itself as if it supported the Soviet Union's negotiation position in Geneva. That cannot possibly be the intention.

[Question] Why does the Conservative Party reject the Labor Party's suggestion of a "freeze" and of stopping all preparations for new rocket installations while the negotiations are going on?

[Answer] Both of these points are in conflict with the double resolution. A "freeze" means that we accept Soviet superiority in atomic weapons in Europe. Stopping the preparations means that NATO throws away its strongest card in the negotiations, and that in turn obviously means that the Soviets' desire for negotiations is reduced.

One-Sided Pressure

What the Labor Party is really doing is putting a one-sided pressure on the West and correspondingly less pressure on the East. It is paradoxical, but the Labor Party is now protesting more energetically against NATO's weapons that are not yet in West Europe than against the Soviet weapons that are already in position.

[Question] Why is it harmful to the West that the Labor Party and its sister parties in Europe are working out an alternative negotiating position?

[Answer] One would have to be improbably naive to believe that the western negotiators are not thinking several moves ahead. The Labor Party wants these negotiating tactics exposed; it is not strange that Yuriy Andropov is laughing up his sleeve. New ideas and schemes must not be launched in such a way that they create doubts about the West's unity. Any change in the negotiating position must come as a result of a joint western appraisal, not from individual parties or countries.

Spearhead

Gro Harlem Brundtland has now assumed the rôle of spearhead of the opposition to the [NATO] double resolution and of its reinterpretation. In so doing she has assumed a very great responsibility. However unintended the consequences of what she is doing, Gro Harlem Brundtland had better think again before she does more harm than she can mend.

[Question] Doesn't the Labor Party reiterate that the reorientation does not involve opposition to NATO, but only to NATO's strategy?

[Answer] There may come a time when Norway is no longer seen as a loyal member of NATO because it constantly sets itself against NATO's strategy. That is something for the Labor Party to think about. Perhaps unintentionally, it is now giving ammunition to the forces that want Norway out of NATO.

President Reagan

(Gro Harlem Brundtland's speech last week end in Tromsø drew attention all over the world because of her very harsh attack on President Ronald Reagan. Jo Benkow has the following comment:)

Gro Harlem Brundtland's attack was couched in quite unusual language. It sensationally throws suspicion on the leader of Norway's principal ally, which has no counterpart in the circle of NATO countries. The attack also leaves the impression that the desire to negotiate is greater in the East than in the West. We know that that is wrong.

[Question] Was it right of the American government to answer Gro Harlem Brundtland's attack?

[Answer] That was an unusual reaction, but it was also a highly unusual attack by a former prime minister of an allied country on the very integrity of the American President. The unusual situation that has arisen was not created by the United States.

I have also noted that Gro Harlem Brundtland is shocked that she was not contacted before the American embassy answered her. She has no reason for that; I assume she did not make contact before she launched her attack.

Norway's Security

We must not take such a position that American opinion loses confidence in Norway. Remember that we are receiving far more security from the United States than we are giving, so that it is Norwegian interests that will be the loser in such a conflict.

There is also reason to point out that Gro Harlem Brundtland's attack gets the debate off the track. It can lead not only to a cleavage between Norway and the United States, but also to detracting attention from the disarmament work.

[Question] After what has now happened, do you believe it will be possible to restore the cross-party unity in Norway on security policy?

[Answer] It is still the Conservative Party's ambition to contribute to as broad a cross-party support as possible of Norway's defense and security policy. At the moment, however, it does look like a more difficult task than it did.

Brundtland Issues Sharp Reply

Oslo AFTENPOSTEN in Norwegian 7 Feb 83 p 4

[Text] Gro Harlem Brundtland, chairman of the Labor Party, made a strong reply Saturday on the radio program "Ukeslutt" [Week End] to the attack on her by Jo Benkow, chairman of the Conservative Party, the same morning in AFTENPOSTEN. Benkow asserted that by its position the Labor Party was stabbing Norway's allies in the back, while Brundtland, according to NTB [NORWEGIAN NEWS AGENCY], answered that it is the Conservative Party and Benkow that are stabbing democracy in the back with their attitude toward free debate.

Gro Harlem Brundtland said on the radio program "Ukeslutt" that Benkow, the Conservative Party, and the government are on shaky ground in the rocket issue.

Benkow had said in an interview in AFTENPOSTEN that Gro Harlem Brundtland's attack on President Reagan recently was a sensational casting of suspicion on the leader of Norway's foremost ally, and that the Labor Party is expressing itself as if it supported the Soviet Union's negotiating position.

"Now Gro Harlem Brundtland should think again, before she does more harm than she can mend," Benkow said.

Gro Harlem Brundtland says that this is not the first time Benkow has advised his political opponents to think again. "That can only evoke smiles. Who believes that the Labor Party makes its decisions in line with didactic words from another party?" she asks.

Harlem Brundtland says that the Conservative Party is losing touch with public opinion even more than before, and that the whole thing is an expression of the uneasiness and nervousness in the Conservative Party. "There are no grounds for saying that we are stabbing allies in the back, or supporting the Soviet Union. We permit ourselves to have an opinion on what is happening. It is Benkow and the Conservative Party that are stabbing democracy in the back. That is a frightening choice of political methods in an attempt to put a lid on a completely normal exchange of opinions and debate in Norway."

She takes exception to the idea of closed party meetings where serious questions are discussed.

"Let us remember that NATO, which is incredibly important to Norway, is founded on democratic societies. Vice President Bush began his European trip by paying homage to these great values, namely that we are dealing with allies that can talk openly with each other," says Harlem Brundtland.

Jo Benkow said in the interview that in her rôle as spearhead of the opposition to and reinterpretation of the double resolution Harlem Brundtland has assumed a very great responsibility.

"There may come a time when Norway is no longer seen as a loyal member of NATO because it constantly sets itself against NATO's strategy. That is something for the Labor Party to think about," Benkow said.

Benkow warned against a development that leads to American public opinion's losing confidence in Norway. Such reactions have already come from the United States. It is Norwegian interests that will be the loser in that case. He emphasized that what the Labor Party is doing in the rocket question is to put a one-sided pressure on the West and a correspondingly lesser pressure on the east.

Troms Labor Party Leader Resigns

Oslo AFTENPOSTEN in Norwegian 7 Feb 83 p 3

[Article by Alf B. Godager: "A. Henningsen Out of Labor Party in Protest"]

[Text] Former Storting member Alfred Henningsen, Troms, has resigned from the Labor Party in protest against the party's new position on security policy. Henningsen tells AFTENPOSTEN that it cost him a great deal to take such a step, but that he cannot share responsibility for what is now happening. He has therefore chosen to resign his membership.

"I believe I am one of many who have noted recent developments in the Labor Party with pain and uneasiness. I myself remember all too well the indulgence and naïveté that the European democracies showed toward dictatorship in the years between the wars. All too many young idealists are lying in the mass graves. They sacrificed themselves so that we others would get to live in peace and freedom. We cannot approve of the attention that is now being given to the weapons. It is not weapons, but people, that make war. If in the present situation the Labor Party had directed attention toward the causes of war and not toward the weapons, there would still have been hope for the party," says Henningsen.

Henningsen is 64 years old and sat in the Storting for three terms, most of the time on the foreign affairs and defense committees. He did active military service in Sweden, England, and the Soviet Union, and among other things was on submarine and motor torpedo boat cruises in Norway. He was wounded during the Russian invasion of Finnmark and has been decorated with the St. Olav medal with oak-leaf cluster for his war contribution.

In the letter of resignation Henningsen says that the Labor Party's position on our country's security policy is not only a breach of political propriety and decorum but also a direct danger to our country's security and peace. "For that reason I cannot passively remain silent and tolerate this and thus be indirectly involved in this dangerous political conduct."

Henningsen goes on to say that as a member of the DNA [Labor Party] since 1934 he finds it hard to make this decision. But since the Labor Party has only been a means of fighting for social democratic ideas, not a goal in itself, he finds that the means is no longer serviceable. "Our country's peace and freedom count decisively in this question," the former Storting member Alfred Henningsen says in concluding his letter of resignation.

8815

CSO: 3639/64

LOWER OIL PRICES MAY DICTATE SLOWER NORTH SEA DEVELOPMENT

Oslo AFTENPOSTEN in Norwegian 5 Feb 83 p 5

[Article by Bjørn H. Tretvoll]

[Text] At an oil price of \$25 a barrel or lower, hardly any of the development projects on the Norwegian portion of the continental shelf that have not already been approved could be carried out with reliable profitability. Such a great drop in price would create a completely new situation for Norwegian oil operations and would force a reappraisal of the tax rules and other regulations if the development is not to stop completely. But if the price drop is limited, as everybody expects, to about \$30 a barrel, the consequences will show up primarily in the form of lower tax revenues, without the same dramatic consequences for the projects now under consideration.

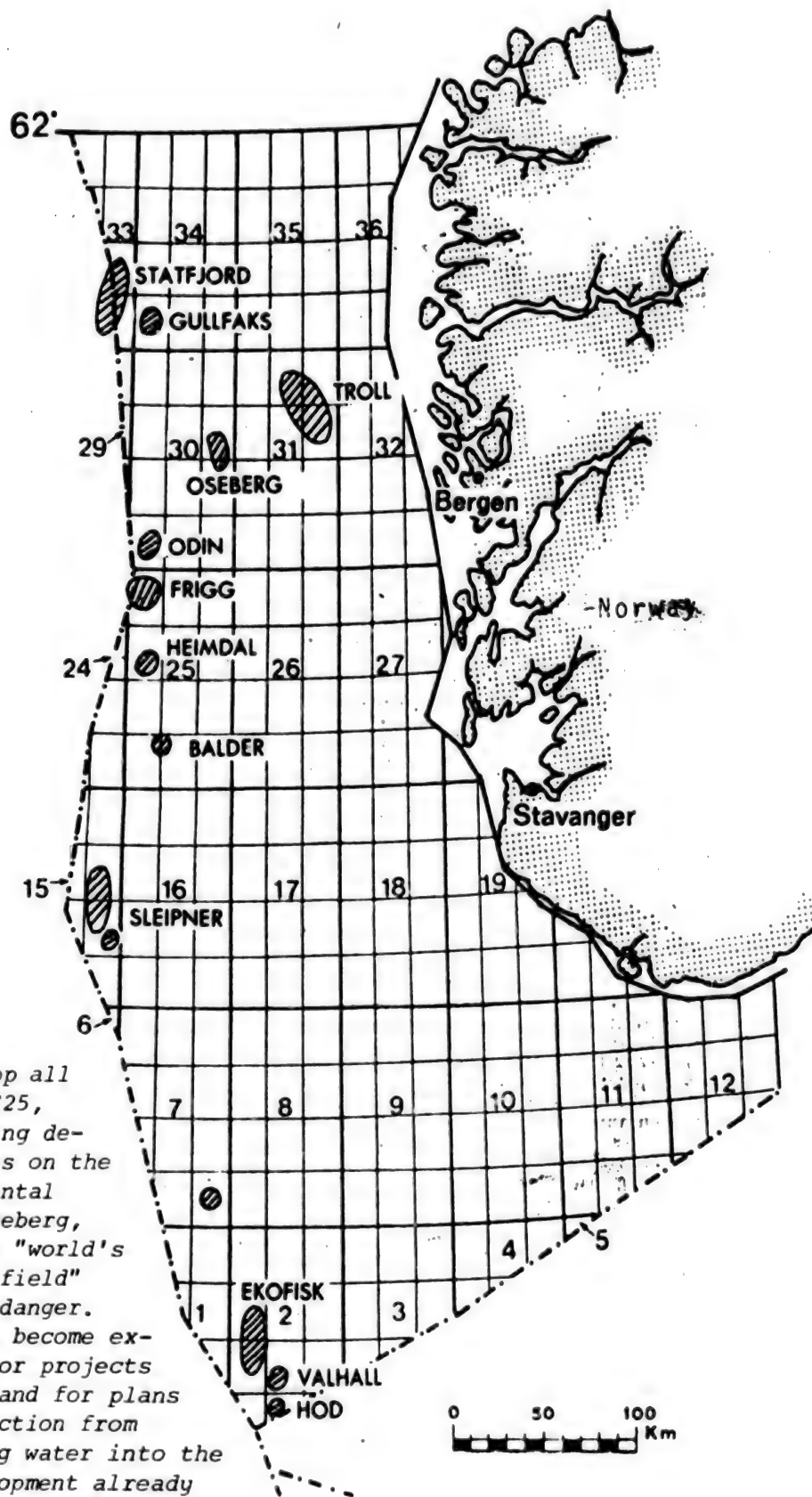
Even though most experts still believe that the present very unclear situation in the international oil market will end with a controlled and limited price reduction of up to \$5 a barrel, the possibilities of a dramatic drop exist.

Such a development would have serious ripple effects on the Norwegian economy. Tax revenues would drop sharply, and our foreign trade would be weakened. Firms that have relied on supplying the oil operations would after a time be without orders. The whole pattern of oil prospecting and development would have to be reappraised if that industry was to be maintained.

But Norwegian industry would also be able to draw benefits from the economic upswing that lower oil prices would bring about in the western industrial countries. A new and quite extensive readjustment of Norwegian economy would become necessary in case of such a dramatic development in oil prices

Continued Production on Existing Fields

The fields that have already come into production will continue to produce even if oil prices drop to \$20 a barrel or lower. The Ekofisk installations have been largely written off and will be able to continue producing with great profitability. For other fields the situation is that capital expenditures will continue regardless of whether they are producing or not. It will therefore pay to produce as long as the oil prices cover operating and maintenance costs.



If oil prices drop all the way down to \$25, many of the pending development projects on the Norwegian continental shelf, such as Oseberg, Sleipner, and the "world's biggest marginal field" Troll will be in danger. Profitability may become extremely dubious for projects like Ula and Hod and for plans to increase production from Ekofisk by pumping water into the reservoir. Development already decided on for fields such as Gullfaks, Heimdal, and Odin will be carried out as planned.

For the fields where development measures have been taken but where it still may be several years before production starts, the situation is still more uncertain. A field like Ula has been regarded as marginal even at today's oil prices and has already been "put on the shelf" once. A great decline in the prices may force a reevaluation once more, but it will be politically difficult for the operator, British Petroleum, to stop the work again. The Heimdal gas field also has a relatively low profitability.

Statoil's Gullfaks project is being developed in two stages. Recent statements by the company indicate that the field's first development phase will give a reliable profitability if the price of oil at the start of production, adjusted for inflation, amounts to about \$20. It will therefore take a lot more before that project is abandoned.

New Fields

The situation is more uncertain for the fields where production measures have not yet been taken. These include the Sleipner and Troll gas fields and the Oseberg oil and gas field. The working out of development plans is now going full speed ahead for all of these fields. It is therefore unclear how big the investments will be. But a centrally placed source within the Norwegian oil industry tells AFTENPOSTEN that "with oil prices at \$25 a barrel, hardly any of the new development projects will give a reliable profitability." For Sleipner and Troll the gas price that European purchasers will pay will be decisive for development.

A very long development period is common to all of these projects. Production can start in 1989-1990 at the earliest. For that reason it is not the short-term fluctuations in oil prices that determine the development plans. The main thing that enters into the calculations is the oil price development the companies believe in for about 1990 and later. A number of the experts still believe that there will be a rising trend in oil prices when the western industrial countries' economic development again enters a period of growth.

The oil companies often use the "internal rate of return" as a measure of the profitability of the projects. It gives a picture of the return that can be gotten on the capital invested, and can be calculated both before and after taxes, in current prices or adjusted for inflation. Statoil has indicated that there should be an internal rate of return of at least 10 percent after taxes and inflation for a project to be set in motion. In these calculations forecasts of the price development for oil and/or gas play an important part.

Tax Rules

The tax rules, however, are still more important. With a tax system that gives a tax differential of about 85 percent for the oil companies, it is primarily the state that bears the risk of a drop in prices. A price drop of up to \$4 a barrel will hardly lead to drastic changes in the calculations for yield after taxes. A more dramatic price drop, down to \$25 a barrel or lower, would create a completely new situation for the oil companies, however. In such a situation the development of new fields in the North Sea that yield some of the world's most costly oil would drop far down on the list of priorities. Even at today's prices the companies have indicated that the tax burden is too great. Pressure

for changes in the rules will be increased considerably if the prices drop.

Such a development would also make many vistas of a relatively early production of oil and gas on the continental shelf of northern Norway completely untimely. The prospecting and development costs in these waters cannot be covered at such low oil prices. A revision of the rules that make drilling in these waters extra expensive would be necessary even with price reductions.

Norwegian offshore-oriented industry will have big problems if the oil prices drop to a level that makes new fields unprofitable. Even if the fields that have already been approved for development are made ready for production, the offshore industry will have considerable unutilized capacity from about 1985 on. Then if no new development projects open up there will be serious problems for many firms and local communities.

The invitations for bids on new blocks in the course of the current year may give an important pointer on how the oil companies now look at the development in the future. There were few applicants for the new blocks on the Trænebank, and if there is little interest in new blocks in the North Sea as well, that will be a clear warning that the industry's skepticism in regard to the profitability of oil operations in these waters is increasing.

8815

CSO: 3639/65

DE WULF PROPOSES MEASURES TO HELP INDUSTRY

Brussels KNACK in Dutch 12 Jan 83 pp 45-46

[Interview with Roger De Wulf, SP minister in Flemish government by KNACK correspondent S.J.: time and place of interview not indicated.]

[Text] Although a legislative proposal is not being discussed at the national level, it is merely the continuation of the Commercial Court Regulations already in force. In 1978, the Provincial Economic Council of Flanders made a recommendation, but it was never adopted into law. These address the problem of detecting immediately those businesses that are in trouble so that proper steps can be taken without delay to look after them. It is a problem that has continued unresolved since the early seventies, and Roger De Wulf, Flemish minister of health and Social Party member, has recently made a proposal to the Flemish Social-Economic Conference (VESOC).

De Wulf: Between labor and management there are two clearly differing viewpoints which even within the framework of VESOC remain unreconciled. For their part, the unions want a strictly regulated system providing a kind of public agency to inventory the businesses in trouble and assist them. This agency would be granted virtually full power to initiate an investigation, to gather data available not only in public institutions, e.g., taxes, state insurance, etc., but data from the private sector as well. According to the union plan, such an agency should be empowered to subpoena any necessary data from business management in order to obtain the most complete information and fullest picture possible. The Flemish Economic Association (VEVO) disputes such an agency's power to intervene on its own. According to the VEVO, there should be no power to gather data in either the public or private sector. The businesses should on their own initiative enrol themselves in the ranks of companies in trouble. These two points of view have been expressed for months now without hope for compromise. There is growing resentment on the union side that there are many instances of companies going under because there are no powers of intervention. I believe that it is the government's duty, when it becomes obvious that the solution to a problem is blocked, to work something out so that there is a real chance for both sides at least to discuss an issue they do not agree on. My proposal is an attempt to create a context in which both labor and management will be able at least to exchange ideas on the same subject.

KNACK: Is not the timing of intervention crucially important?

De Wulf: Precisely. All examples indicate that even with massive capital infusions a tardy restructuring is largely ineffective. It was too late for VTR, and barely in time for Nobels-Peelman. It is important to be able to intervene before a certain threshold is exceeded. It is also vitally important to work within a framework providing full guarantees of discretion. When it gets in the press that a company is having trouble, the difficulties usually increase. A climate of panic sets in, and the banks tend to shy away wherever possible. Moreover, it is then almost impossible to obtain an accurate picture of the true situation. One is simply unable to compile a clear inventory of just what went wrong. There is at times some unwillingness among those involved to make information available. Frequently this difficulty lies at the very heart of the problem: weak organization or mismanagement of a company. In the case of Gregg, the stockholders had bled the company. In VTR there was that too, as well as mismanagement. The workers are always the major victims. Since we have few resources and these must be used as sparingly and effectively as possible, it is important to determine precisely if there would be an advantage somewhere to intervention and capital risks. In addition, we must try to set up a system that would give continuous guarantees of management's cooperation, for without that it is difficult, if not impossible, to save a business.

KNACK: What is your proposal?

De Wulf: The government, in this case the Flemish government, would make a formal ruling that absolutely no business would be helped in the future if it had not filed documents in good time for possible assistance. We want to urge management to make a timely appeal to the government and not to wait until it is too late. The government, then, would absolutely refuse to accept a case when it is clear from the start that certain balance limits had been exceeded. This does not mean that the government cannot play a role somehow in restarting an operation after a failure if a business applies too late for this program. But there is no money for hopeless cases; there is nothing we will do then. In my proposal, the companies that apply would be required to appeal to a special branch, yet to be established, of the Provincial Investment Company for Flanders. This can become a kind of reception center for companies in trouble, and its personnel would naturally be obligated to professional secrecy. The staff would have the right of review. If they should judge it to be too late for restructuring and assistance, any intervention by the government would be precluded. In other cases, a plan for restructuring the company would be worked out together with its management. This plan would then depend on the support of the shareholders--with a possible increase in their commitment--and that of bankers and government.

KNACK: Will your proposed agency be involved?

De Wulf: Each company in trouble is a separate case. It will depend on the documentation that the GIMV agency files with the Flemish government. But in no case will action be taken heedless of the cost. That will be one of the conditions that each company must accept: the government will appoint managers

who will assume responsibility along with the company and will protect the interests of the government. In order to assemble the best possible documentation, the office will be empowered to gather information from various government sources.

KNACK: But you cannot simply decree that. A national law is necessary to do that.

De Wulf: That's right. But one can do it on a voluntary basis. A lot is possible without changing the law. There is no law against providing certain information. For this reason too, the cooperation of the management is a factor in my proposal. And I would also provide the unions the opportunity to introduce documents to the agency. Labor often picks up fairly quickly how a business is getting along. The unions would be able to take initiative in providing the agency with data at their disposal. With this proposal, I hope to get discussions underway in the coming weeks on a subject on which we have not been able to make any progress in the past several years. I don't claim that my proposal is revolutionary. It is simply an attempt to break through the impasse we are in. We already have a warning system, but it has never worked. We should try to construct the best possible framework that will still allow a large degree of freedom.

KNACK: Does the political will for this exist in the Flemish government? This is a significant departure from the general political spirit of the national government.

De Wulf: Certainly. The proposal is in agreement with the policy statement of the Flemish ministers. They have in many cases already shown that they can act as a team. True, we are going our own way on this.

9992

CSO: 3614/55

HEAD OF VALMET RECOUNTS STEPS TAKEN TO RESTORE FIRM

Helsinki HUFVUDSTADSBLADET in Swedish 4 Feb 83 p 16

[Text] "I came into the Valmet management in 1980. Just after it exploded."

Matti Kankaanpää, general manager of Valmet, admits that the problems he was suddenly faced with led to a personal crisis for him. "Sometimes it was hard to tell whether the spark would manage to burn."

In some respects there was a good starting position--the sins were somebody else's. "But sometimes I feel as if I have to bear the blame for them just the same," says Kankaanpää.

For a long time Valmet was in a phase in which the concern's poor condition was generally known and everybody was asking: Is anything happening?

That was a hard time. But Matti Kankaanpää is nevertheless opposed to dramatic measures; they can easily do more harm than good. A change must take a certain amount of time.

Rejuvenation

Now it looks better. The organization is renewed. The management, too. The average age today is 48. Kankaanpää, at 55, is the oldest. In comparison to Valmet, the managements of most other big concerns, especially those of state enterprises, are aged.

"The management is working well; we have lively, constructive discussions, long meetings. The formalities are dispensed with. We are working," says Kankaanpää.

Politicians

The politicians are in the picture, on the board of directors. The questions that are taken up there are discussed from political points of view. It is mostly matters of employment, of permits. Or pension questions; Valmet must drop its system of early pensioning for the employees. It is getting too expensive for the company.

With politicians in its decision-making organ, can Valmet function according to strict principles of business economics?

"There are sectors in which we cannot," Kankaanpää concedes, and mentions the defense materiel sector.

The Trimmings

Now Matti Kankaanpää is to present a final accounting in which all the old sins are brought to light. He has directed the concern during a year which finally came out with a plus after full write-offs. But he still has to report a loss of a quarter of a million marks.

"Then it hasn't been possible to put those trimmings on yet?"

"Well, they haven't been put on," Kankaanpää says, and laughs a little. Then softens it a little by adding: "The way such a question is handled has to do with a concern's policy and image. To a certain extent, too, one always lives in the hope that the failure can be hidden in a future favorable balance sheet."

But then comes the deep sigh: "Maybe I am not so loyal toward my former chief. But an enormous lot has fallen on me."

The Future

And even if things can be straightened out, the future is not promising.

"Unless something decisive happens in the world around us, 1984 will be decidedly gloomy," Kankaanpää predicts, and feels that in Finland there is no realization (i.e., on the part of the FFC [Central Federation of Labor Unions]) of how serious the situation is.

For Valmet, paper-making machines and boats are a "bumpy business"--the sales curves constantly go up and down. They represent such a big part--half--of Valmet that they have a big effect on the overall profit or loss. The only way to grow here is to take market shares. That has been done in paper-making machines from the United States and elsewhere. Certain of the world's manufacturers of paper-making machines have also thrown down the gauntlet in the hard competition.

New markets are a possibility, in time. Matti Kankaanpää is just back from Indonesia, perhaps at least as promising a country as Brazil with regard to paper.

The shipyard situation is well-known and tight. There is a lot of talk about merging the Laivateollisuus and Pansio shipyards. The personnel have been reluctant. What will Valmet do?

"We have a long-term plan," says Kankaanpää, "and all investments are aimed at an overall solution. But the process will take patience and time."

"The personnel are getting a little uneasy about such plans, and rumors are springing up. Now we are proceeding in closer cooperation with the employees."

He wants to move forward, but without a definite timetable.

Personnel

Matti Kankaanpää talks often and willingly about the employees, and with respect.

A good starting point for the whole change in the organization was discussions with the personnel groups. "Today they are very well informed," says Kankaanpää. "You can't just cut off the discussion and say this is what we are going to do. That can cause a profound confidence crisis. People are always proud of their work. They do not simply want to be 'placed.'"

One of the main shop stewards at Valmet is a member of the board of directors. In addition, three representatives of different categories of personnel attend the meetings of the board of directors. They have the right to speak but are not included when, e.g., wage questions are discussed. Valmet is the only state enterprise with such a "liberal" model.

"The management's most important function is to create an atmosphere that releases the creative forces in the concern," is Kankaanpää's final comment.

Just Before the Big Operation

This is when it will happen!

- In 1982 Valmet had an operating surplus of some tens of millions of marks but is reporting a loss of 250 million marks.
- Valmet has a share capital of 500 million marks and is cutting it down by ca. 430 million marks.
- A series of complicated operations will bring the share capital back up to a good 400 million marks.

General Manager Matti Kankaanpää and his renewed management have a chance now that will not come again. All of the old management's sins are being brought to light and will affect the balance sheet. Not everything can be gotten off the agenda; the firm's economy could not take care of it. Some must be kept over for next year's balance sheet.

But most of it is being cleaned up now. The desk will be as clean as possible.

Here is how it goes.

The share capital is reduced by the following operations:

1. The loss from 1981, which was 173 million marks, is entered against the capital. A reported loss for 1982 of 250 million marks makes a total of 430 million marks.
2. The loss of 250 million arises from the operating balance for 1982's being burdened with the following balance-sheet transactions:

3. The four tankers that were ordered by the Klaveness shipping line in Norway, which have been delivered but never completely paid for, entail an increased credit loss reserve of probably over 100 million marks. The deal, of course, is still a big question mark. What will Valmet get if the boats should be sold? Four tankers of 130,000 tons each may perhaps be worth \$10 million each.

In any case they are not being sold yet, but are still sailing under the Klaveness flag. And ticking up a loss in interest for Valmet of about 50 million marks a year. When will the hole be plugged?

4. Claims against Finnvalco and against the Brazilian TVW-Pilao totaling perhaps 50 million marks are now being completely written off.

5. A credit loss reserve for the Danish Blæsbjerg shipyard's debt is also becoming imminent, amounting to perhaps 40-50 million marks.

The total of all these operations, however, is too big a bite to swallow all at once.

So Valmet is refraining from making full write-offs and is activating unrealized foreign exchange losses.

Operation Two is being started.

The share capital will be built up again. The objective is to give Valmet a share capital of about 400 million marks. That will be done this way:

1. First, 59 million marks will be transferred from the reserve fund to share capital.

2. In the state's third supplementary budget for 1982 the state gave 180 million marks to Valmet. The Riksdag had already allotted 70 million marks in share capital earlier, making a total of 250 million.

3. Through the state budget there will also be a capital contribution of 10 million marks a year for 4 years for the Nordic tractor in Jyväskylä.

And so all of a sudden Valmet is back up to a share capital of a good 400 million marks.

A prerequisite for all this to work was that the operating result for 1982 should be somewhat on the plus side.

Since it worked--the "real" balance sheet showed a profit--Valmet can now take a reported loss of 250 million marks.

That is a result that shows nothing about how it went in 1982. But it tidies up the greater part of the old sins. In 1980 Valmet's real loss was about 332 million marks, but only 46 million was reported.

Murder will out.

8815

CSO: 3650/119

PAPANDREOU MAKES FRIENDLY OVERTURE TO INDUSTRIALISTS

Athens I KATHIMERINI in Greek 12 Feb 83 pp 1, 3

/Report by N. Nikolaou/

/Text/ Mr Andr. Papandreou made an impressive overture to private initiative yesterday. After meeting with Mr D. Kyriazis, chairman of the industrial congress, and members of the SEV /Association of Greek Industrialists/, he sent the business world the warmest and friendliest message than PASOK would ever have dared send in its 16 months in power. In his televised message and his statement to reporters, the prime minister described the industrial congress as a positive step forward and expressed his government's understanding of the industrialists' problems. He then let it be understood that there is now a concurrence of views and common decisions between government and the industrialists for the attainment of common goals on the course to be taken for the recovery of the economy. There were no commentaries by industrialists' organizations yesterday nor was there any response to the overture.

The industrialists' leadership evidently remembered the bitter experience of all that happened last year at the time of SEV's festive conference when once again the prime minister delivered a warm pro-industrialist speech that did not have any practical follow-up. The industrialists' leadership is waiting to see if this time too it is a question of a mere verbalistic overture or a substantive change in the government's position vis-a-vis the business world.

This waiting stance is necessary in that the industrial organizations are clearly disappointed over the government's policy and no longer believe in promises made by officials.

Mr D. Kyriazis, chairman of the industrial congress, who, following his meeting with Mr Papandreou, was asked by the latter to give his views on television, described the prime minister's interest as a first positive sign but at the same time he called on the government to move forward toward a concrete and substantive dialogue by quickly making a decision.

Economic observers, nevertheless, have maintained that under the pressure of events and under the direct threat of collapse of many firms, the government will move forward on certain corrective measures. Included are the readjustment of prices on dairy industry products, beer industry, etc. as a first phase.

The same observers note that Mr Papandreou, who on Thursday evening declined the invitation to attend the industrialists' dinner, hastened to add the following:

1. To describe the industrial congress as positive, stressing that its conclusions express industry's desire to help with all its power in having the country overcome its current difficulties.
2. To rebut charges by newspapers of the two KKE's about alleged industrialists' blackmailing the government, Mr Papandreou emphatically repeated that the industrialists had never set conditions but had merely presented demands that will be examined by the government.
3. To acknowledge that the success of the 5-year plan depends on the participation of private enterprise.
4. To repeat everything he said last year, i.e. the recovery of the economy relates more to middlemen and intermediaries than to industrialists.
5. To take pride in the fact that no government over the past few years has had such constructive dialogue with industrialists as his.

5671

CSO: 3521/210

BRIEFS

SELF-MANAGEMENT UNITS PLANNED--Workers will take over the handling of handicrafts units that are on the verge of ceasing operations, not because they are not viable but because they are unable to operate because of their debts to banks. The above is being looked into by a plan that the government is working on the goal of which is an increase in productivity, the rescue of these handicrafts units and the combating of unemployment that is beginning to become evident even in this field of endeavor. This self-management system is being successfully implemented in Spain where, in fact, it has been extended to large industries. Greek services that are involved in this issue are studying the possibility to initially implement self-management in a large province of the country where a large number of problem handicrafts firms are located. According to information, the state credit institution will assume the financing of these self-managed units, while a fact-finding center with technological and market research units will be set up for the needs of the firms. /Excerpt/ /Athens ELEVTHEROTYPIA in Greek 9 Feb 83 pp 1, 13/ 5671

PHARMACEUTICALS' PRICES UP--Beginning the day after tomorrow some 500 drugs will go up in price. They are specially made imported drugs that are not manufactured here. The price increase that was announced yesterday by Minister of Commerce Moraitis will average out to about 10 percent. However, according to information, the percentage increase on some drugs will be higher and could reach 18 percent. Included in the drugs to be priced higher are heart ailment drugs, insulin, etc. Mr Moraitis announced that the new prices have already been affixed to the pharmacies price lists since yesterday. He added, however, that these lists will be published today. /Excerpt/ /Athens ETHNOS in Greek 8 Feb 83 p 3/ 5671

CSO: 3521/210

STATISTICS BUREAU REPORT SHOWS NO GNP GROWTH FOR 1982

Oslo AFTENPOSTEN in Norwegian 11 Feb 83 p 23

[Article by Bjorn H. Tretvoll]

[Text] The Norwegian economy had a year of stagnation in 1982. For the first time since 1958, Gross National Product showed no growth compared to the previous year, industrial production declined 2.6 percent, total investments with the exception of the oil sector fell 4.4 percent and exports of goods and services declined 1.7 percent measured in fixed prices. Employment stagnated and unemployment rose sharply toward the end of the year. Those are some of the main characteristics of the Norwegian economy in the past year, as presented in the "Economic Survey" put out by the Central Statistics Bureau.

The foreign economy weakened so much that the excess in the foreign operating balance fell from 13.2 billion kroner in 1981 to 5.3 billion kroner last year. Norwegian industries subject to foreign competition experienced a continued decline in market shares. The decline was 3 percent in export markets, while there was a reduction of 4 percent in the domestic market.

Norway's collective disposable real income remained unchanged from 1981 to 1982. Thus there was no real income growth for various sectors of the Norwegian economy to divide up. Even so, there was a 3 percent increase in disposable real income for households, while business incomes declined.

Wages per man-year increased 11 percent, while the consumer price index rose 11.3 percent. This means that the tendency toward a decline in real wages per man-year, which started back in 1977, continued in 1982. Purchasing power developments will also depend on changes in tax rules and support measures.

Private consumption rose 1.9 percent, while there was an increase of 0.9 percent in consumption by the public sector. Demand for consumer goods had a weak development, but there was strong growth in the consumption of services, especially in the area of foreign travel.

Investments Down

Total gross investments, excluding the oil sector, were 4.4 percent lower in 1982 than they were the year before. Industrial investments fell 13.4 percent. Investments in public, social and personal services were also reduced from 1981 to 1982. Housing investments were approximately the same. Within the oil sector, investments declined almost 30 percent. But at the same time there was a 4.3 billion kroner increase in inventory as a result of increases in the value of oil platforms under construction.

Total export value rose 5.7 percent, but adjusted for inflation there was a decline of 1.7 percent. There was a volume decline of 3.4 percent in traditional export goods. The poor international shipping market was a strong contributing factor in the decline in the export of services, a reduction of 7.3 percent, measured in volume. Total imports rose 11.3 percent, in terms of value, while there was a volume increase of 5.6 percent.

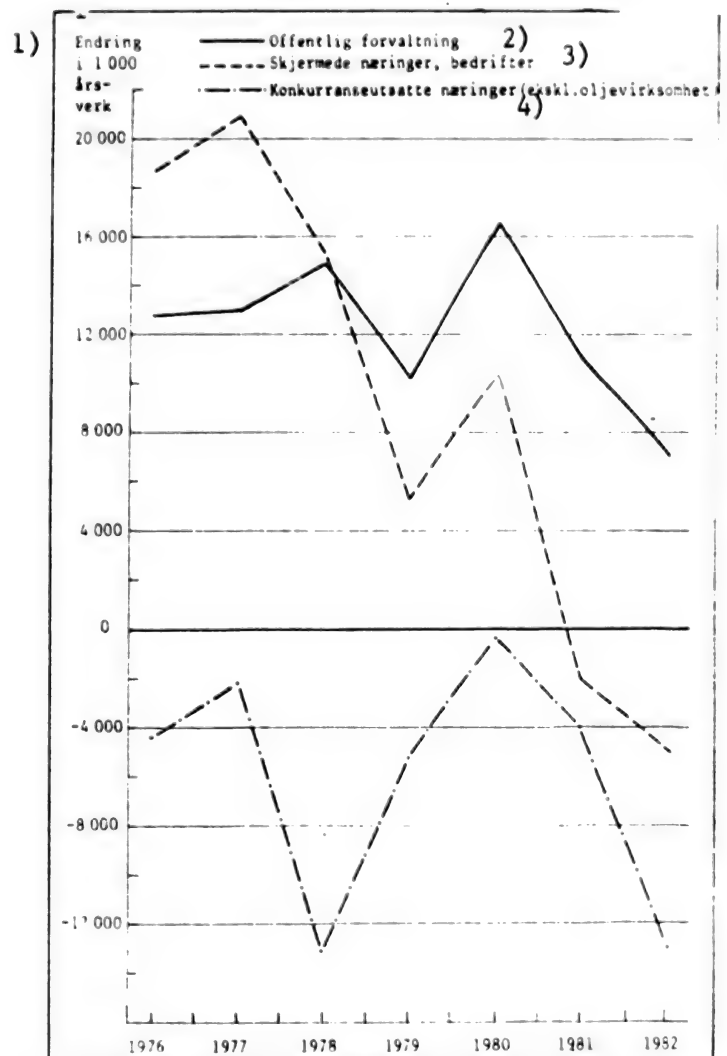
The weak development in important areas of total demand contributed to a decline of 2.6 percent in industrial production. Utilization of industrial capacity was at its lowest level since 1973. The total number of man-years in the Norwegian economy declined 0.5 percent. But the number of people employed rose a little. But the clear trend from the 1970's, which involved an employment growth in protected branches that compensated for the increase in the labor force and the decline in branches subject to competition, has now come to an end. Since 1980, there has been a decline in employment in protected branches outside of public administration.

Youthful Unemployment

The increase in unemployment has affected young people in particular. In the age group of 16-19-year-olds, 13 percent of the work force was looking for work and had no work income. Not since 1975 has there been such high unemployment among young people. Unemployment rose more slowly for women than for men in 1982, but the percentage of women unemployed was still higher than the rate for male workers. Average registered unemployment ran around 41,000 people. This increase was due both to a weaker market development and the tight economic policy that has been pursued to restrain price and cost developments, the Central Statistics Bureau pointed out.

Operating profits, the part of total revenues remaining to pay for capital outlays and compensation for owners, rose 14 percent for business as a whole. The oil sector was not excluded from this figure. This is the lowest growth since 1977.

The improvement in operating profits was especially good in some service industries, while there was a distinct deterioration in the case of shipping. For industry as a whole, there was an 8 percent increase, while industries competing abroad had a decline in operating profits for the third year in a row. But protected industries increased their operating profits from 2 billion kroner in 1981 to 4 billion in 1982.



The graph shows that there has been a decline in employment in branches subject to competition in each year since 1976, while there has been an increase in public administration. Protected businesses have had a rise in employment, but there was a decline in 1981 and 1982 for this sector too.

Key:

- | | |
|---------------------------------|--|
| 1. Changes in 1,000 man-years | 4. Businesses subject to competition (except for oil-related industries) |
| 2. Public administration | |
| 3. Protected trades, industries | |

6578

CSO: 3639/68

DIRECTOR EGIL BAKKE OF INDUSTRY ASSOCIATION PROFILED

Oslo DAGBLADET in Norwegian 29 Jan 83 p 9

[Interview with Egil Bakke by Tore Stuberg]

[Text] "I will not sit and manage prices in detail. The signals from the government are clear: We shall use more of the powers of the state to get rid of what is preventing the free market from working," says Director Egil Bakke, 55. The economic oracle of the Industry Association was appointed yesterday as the new price director to succeed Charles Philipson.

Frankly Speaking

Egil Bakke: Director of the Norwegian Association of Industry, now price director.

Age: 55.

Family: Wife Grete, children Jostein and Tatjana.

Income: Salary with extra income varies between 300,000 and 400,000 kroner.

Smoke? No.

Drinks: Red wine, long drinks. Loathes cognac.

Car: Ford Escort.

Hobbies: Books, films, theater, opera, open-air life; harness races once in a while.

Last book read: "Terra Roxa" by Jon Michelet, "Childhood" by Jan Myrdal, and "Little Dorritt" by Dickens--parallel.

As head of the business economy section of the Industry Association, Egil Bakke set his stamp on the economic debate in Norway in the last few years. In spite of a generous flow of words, he talks in such a way that most people understand him: He calls a spade a spade. But it seems to some that it is the Conservative Party's spade that Bakke digs with; he has little sympathy for public subsidies, has made harsh attacks on state transfers to farmers and fishermen, wants to lower the wage level, and last but not least: He thinks market forces should be given a great deal more free play.

Competition

[Question] Don't you belong in the Conservative Party--and not in the Labor Party?

[Answer] No, and I am sometimes misunderstood. My views are well known, and I have pointed more than most to the value of free competition. But the market forces should be used as an element of social control--not instead of control. Nor have I ever said that the market and competition can solve all problems--that is a resource that if effectively used can help the politicians in their management tasks. And it is a common experience that in societies where the market does not function the politicians really have a baby in their laps.

Price Monitor

[Question] Then you will not be a "price monitor"?

[Answer] I interpret the announcement of the appointment as meaning that in any case I shall not spend my time in administering the price regulations--that is less to the purpose now than 10 or 15 years ago.--(So says Director Egil Bakke, who after passing the degree examination at the University of Oslo studied at the University of Minnesota before he was associated with the economic section of the Ministry of Finance. He was there until 1970, when he became an analyst in the Ministry of Industry. Two years later Bakke became head of the income section of the Ministry of Consumer Affairs and Administration, and in 1974 he became a division director in the Norwegian Association of Industry.)

[Question] And now you have to take a cut in pay.

[Answer] I suppose so. But the notice said in addition to pay grade 36: pay is set by specific agreement. I have certain hopes.

[Question] But if the top grades earn too little, is that why one "blue card" after another is being uncovered?

[Answer] Some of what is being "uncovered" is regulations that were reasonable a generation ago, but that we find it hard to approve of today. It is possible they can be regarded as a sort of compensation for a little-differentiated pay structure. But I have no firm opinion about that.

Ballet Dancer

[Question] Are you price-conscious yourself?

[Answer] My wife is, at least. Yes, I must say I study the prices carefully. (So says the new price director, who really wanted to be a ballet dancer.)

That was a frivolous remark over a glass of red wine. But I do like to move about on the dance floor--and in the woods.

[Question] How long will the price director's name be Egil Bakke?

[Answer] The appointment is for 6 years. But if I am not tempted to go to the UB [University Library?] and steal books, I may get the contract extended.



"We must accept the market's decision to a greater extent than we do today," says Egil Bakke, the new price director.

8815

CSO: 3639/65

SURTAX ON IMPORTS CREATES FUNDS, CAUSES PROTESTS

Lisbon EXPRESSO in Portuguese 5 Feb 83 p 14

/Excerpt/ The entry into effect of the new surtaxes on imports, which went from 10 percent to 30 percent on 1 February, will bring the state 16 million contos more in revenues than in 1982, that is, about 25 percent of the increase foreseen in indirect tax revenues in the 1983 State Budget.

Along with the need to reduce the balance of payments deficit, this increase in tax revenues was one of the principal reasons presented by Alfio Dias, secretary of state for the budget, for the decree raising import surtaxes.

CCP Protests

However, the CCP /Portuguese Confederation of Commerce/ reacted immediately to the implementation of these new tax increases, claiming that the "government, in effect, has abandoned its responsibility as a competent and responsible lawmaker." As major effects of this measure, the CCP points out increased problems in relations between Portugal and the countries from which we import; a generalized increase in the price of imported consumer goods and of goods whose price is influenced by the imported component (equipment or raw materials); and the drain on companies' capital.

Questioning the government-defined policy of "putting a stop to imports and obliging the Portuguese to 'buy Portuguese'...from one day to the next," the CCP feels that the increase in surtaxes "will even further isolate Portugal from Europe."

Actually, the measure appears to contradict the general articles of the proposed 1983 budget regarding the tariff system, which indicate a "concern to safeguard the requirements involved in Portugal's admission to the EEC."

Thus our country negotiated a temporary protocol with the EEC, regulating trade relations between the parties until the date of admission and defining groups of imported products for which Portugal pledged not to levy new surtaxes. However, some of these products were affected by increases from 10 to 30 percent.

In practice, things have functioned differently. Hence, according to the general director of customs, this situation is not new, since it was immediately known that the EEC organs would be "very understanding" about the reasons noted by the Portuguese Government for the application of such measures.

TRANSPORTATION STRIKE TOTAL SUCCESS

Lisbon DIARIO DE NOTICIAS in Portuguese 9 Feb 83 p 4

/Excerpts/ Yesterday's strike against the CP /Portuguese Railroad Company/, Carris and Metro, called because of the alleged break in negotiations for the respective company contracts and as a protest against the wage ceiling decreed by the government, was almost fully observed in the railways and there was 100 percent participation in the Metropolitano and Carris strike, according to union leaders.

A CP spokesman reported that no trains ran on national territory. Moreover, no Carris buses, streetcars or elevators or Metropolitano trains were in operation.

With respect to purely labor issues, it is noted that yesterday's CP strike was called by the Federation of Railway Unions and the Association of Independent and Democratic Railway Unions, which includes the union organizations of machinists, station, train and maintenance personnel, river pilots, secretaries and bookkeepers.

Only the CP Union of Technical Personnel did not observe the strike; otherwise the response would have been 100 percent, according to a source in that public company.

On Monday, the union federation held a meeting with the CP Management Council, which failed to break the impasse.

The some 25,500 CP workers rejected, among other items, the counterproposals to increase wages by 12 percent and also opposed the 17-percent wage ceiling.

Metro and Carris

The total observance of the strike by the Lisbon public transport companies' workers was a result of the efforts of the members of the CGTP /General Confederation of Portuguese Workers/ and the UGT /General Union of Workers/.

CGTP Position

"The government spends rivers of money on alternate transportation instead of resolving the conflicts in the regular transport systems," the CGTP-Intersindical declared yesterday.

This union federation stated in a communique that, instead of resolving labor conflicts, the government "once again has opted for parallel transportation, paid for by the Portuguese people." The communique notes that even last year the dispute in the transport sector was only resolved "after, belatedly, the workers' demands were met."

The CGTP added that this situation caused "obvious inconvenience and injury to the public."

It stressed that the strike of the Metro, Carris and CP workers in defense of their purchasing power "reveals the irresponsibility of the government, whose intransigence," the CGTP declared, "forced the workers to go to a strike as the only way to defend their interests."

6362

CSO: 3542/44

BRIEFS

FRG FAVORABLE LOAN--Portugal and the FRG signed financial cooperation accords yesterday with a total value of 200 million marks (7 million contos). The countries were represented, respectively, by Joao Salgueiro, minister of finance and planning, and by Ambassador Warner Schattman. These agreements will make credit operations possible to finance projects of small and medium industrial firms, through the National Development Bank, and to finance the Baixo Mondego hydroelectric project and the Coimbra Water Treatment Station, part of the project for water regulation and flood control. Part of the loans will be channeled to finance the fishing ports of Peniche, Povoia de Varzim, Portimao, Viana do Castelo, Nazare and Figueira da Foz. There are also plans to establish a line of credit with the General Savings Bank to finance municipal infrastructures for basic sanitation and rural roads and for the Pico Island agricultural project. In addition to these credits, the FRG has granted 40 million marks (1.4 million contos) to Portugal to finance technical assistance to various projects in progress. This credit has been placed at Portugal's disposal at an annual interest rate of 4.5 percent, with a 15-year repayment period and a 5-year grace period. /Excerpts/ /Lisbon DIARIO DE NOTICIAS in Portuguese 5 Feb 83 p 3/ 6362

NET LOSS OF PURCHASING POWER--The purchasing power of the national minimum wage declined by 22.7 percent from October 1980 to December 1982, according to a study on collective bargaining drafted by the FETESE (Federation of Office and Service Workers Unions). The same study by this member organization of the UGT /General Union of Workers/ indicates that Portuguese workers' real wages declined 3.7 percent in 1982. Regarding wage increases, the average was 23.7 percent in bargaining in which FETESE took part. If we adjust these increases to a 12-month period, the average increase in salary will have been reduced to 18.3 percent. In the private sector, the average contractual increase was 28.3 percent and in the public sector it was 23.3 percent. However, since the scales were in effect for a shorter period, on the average, in the public sector (13.6 months, as against 15 months for the private sector), the average annualized increase is 18.7 percent in the public sector and 18.1 percent in the private sector. Since this is less than the increase in the cost of living, these increases represent a loss in purchasing power. /Excerpts/ /Lisbon DIARIO DE NOTICIAS in Portuguese 6 Feb 83 p 3/ 6362

MEXICO TO RENEGOTIATE DEBT WITH COUNTRY

Madrid EL PAIS in Spanish 26 Jan 83 p 43

[Text] Madrid--Next Friday afternoon, Jesus Silva Herzog, secretary of finance and public credit, Mexico's finance minister, will arrive in Madrid to talk with Felipe Gonzalez, president of the Government of Spain, and with Minister of Economics and Finance Miguel Boyer. The object is to work out the conditions of the renegotiation of the debt that the Aztec country now has with Spain, which totals some \$2.5 billion, of which \$1.5 billion corresponds to financial debts.

The trip to Spain by the top Mexican economic authority is the first at an official level by a cabinet member from that country since the cabinet took office last 1 December, the same day that Felipe Gonzalez' cabinet took office. This contact has a specifically economic aspect due to the critical debt situation in which the Central American state now finds itself. Proof of this is the fact that in his brief stay in Spain, Mr Silva Herzog will also talk with Francisco Ordonez, president of the Spanish Exterior Bank, an entity that is coordinating Spanish banking interests in Mexico. In addition, the Mexican minister will meet with Luis de Velasco, state commerce secretary, which underscores even more the economic and financial character of the trip.

In his mission to renegotiate the Mexican debt, Silva Herzog will also visit the top economic authorities of Germany, Switzerland, Great Britain, the United States, Japan and France. Just yesterday, he met in Paris with his French colleague, Jacques Delors, and with other high officials of the French Finance Ministry.

Until now, there has been a partial renegotiation of the part of the overall Mexican debt without state guarantees, estimated at more than \$80 billion. In addition, the IMF, the international creditor banks and some Western governments have granted Mexico \$11 billion in immediate assistance, after Mexico committed itself to accept an austerity plan to attempt to overcome the economic crisis tormenting the country.

According to our correspondent in the Mexican capital, the official figures on that country's economic situation are worrisome. Inflation was 562 percent

during the 6-year period of Lopez Portillo, a record level. In 1982, it was 98.8 percent, the highest ever for a single year.

With respect to Spain, there are two classes of debt: the financial-type debt between Mexico and Spanish banks, with loans valued at \$1.5 billion, and the much more complicated commercial-type debt of \$1 billion, according to the Spanish administration itself.

A few days ago, State Commerce Secretary Luis de Velasco declared that of the total commercial debt with our country, almost half is secured and presents fewer financing difficulties.

9746

CSO: 3548/145

HISPANO-AMERICANO CONTROL OF URQUIJO FACES DELAY

Barcelona LA VANGUARDIA in Spanish 30 Jan 83 p 31

[Article by Primo Gonzalez Ortiz]

[Text] Madrid--The majority control of the Urquijo Bank by the Hispano-Americano Bank (BHA) may be delayed about 2 weeks and it could involve a public offer by the BHA to buy the Urquijo stock at a price that in some media has begun to be established at around par value at best, according to reliable Madrid banking sources consulted Saturday.

This weekend, directors of the Bank of Spain and the BHA are analyzing the situation of Urquijo, to which the BHA has had no access since 7 January, and they are studying possible formulas to facilitate the BHA commitment to take charge of the country's primary industrial bank.

The situation of the Urquijo Bank has been known for several months in national and international financial circles, although it does not have the dramatic character of other Spanish bank crises in recent years, despite the fact that it is one of the country's top financial institutions. Last year, Urquijo went through a lengthy examination by the Bank of Spain, which allowed the bank of issue to have first-hand knowledge of the true situation of the Urquijo Bank.

In spite of being the bank most identified with industry, the problems leading to the current situation--liquidity problems and low profitability--are not so directly related to the business misfortunes in which Urquijo has been involved, most recently in the cases of Galerias Preciados and Rio Tinto Explosives.

Reliable sources indicated yesterday that the assets (loans and securities) in the Urquijo balance that could now be classified as unprofitable amount to 50 billion pesetas in a total volume of 250 billion pesetas.

The low or zero profitability of those investments is creating serious problems for the bank's exploitation account, which is still at the point of closing. Some reliable reports indicate that the Bank of Spain would have

rejected the offer of the top Urquijo bankers to distribute a complementary dividend of 85 gross pesetas per share when for several months the account dividend has been paid at the same amount, which represents 8.5 percent of the nominal share value. The prospect of a dividend distribution equal to 17 percent of capital has not been seen favorably by monetary authorities, although for months some banking circles have shown surprise at the Bank of Spain's prohibition with respect to the already distributed account dividend when it was evident that in recent months the bank's situation had become considerably more difficult.

Aside from the business problems, the recent Urquijo crisis would be very much influential by the difficult international environment of the last 12 months. If in 1981 the bank was able to avoid its difficulties thanks to the strength of its foreign operations, 1982 foreign business has presented much less opportunity for profit. The Urquijo Bank has also had to swallow the bitter experience of an important credit blunder in Singapore, amounting to several million dollars. The international business situation reached a crisis recently when the Bank of Spain intervened in the matter, prohibiting Urquijo to draw on foreign exchange.

The difficult situation faced by the country's primary industrial bank has forced the Bank of Spain to seek a satisfactory formula to leave Urquijo secure from problems. Banking circles have no doubts about the viability and future continuity of the Spanish industrial bank, given the international image of this institution, present--including some very active offices--in the world's principal financial markets and a debtor in these markets to the world's most important financial institutions. The damage that a profound crisis at Urquijo could cause for the country's international financial image would have unforeseeable consequences, as assessed by most economic and financial circles.

This necessary operation to guarantee the continuity of Urquijo through majority control of this bank by the BHA, nevertheless, has certain problems, although reliable sources indicated late yesterday that the operation would be accelerated as much as possible and that this very week the necessary steps could be taken so that the BHA will have full control of the entity.

The BHA has rigorously prepared for this eventuality. At the end of December, with an anticipated call from the Bank of Spain for help, a highly qualified team of experts from the country's third largest commercial bank worked out a strategy under which it would be necessary to assume that Urquijo was entrusted to the BHA, which controls 12.3 percent of its capital and has been linked with it through cooperative ties--of variable intensity over the years --since the famous Jarillas Pact of 14 June 1944.

The Bank of Spain's call for the BHA to take charge of the Urquijo Bank was not long in coming and at the beginning of January, Alejandro Albert was called to the bank of issue to respond to what he was told was "a historic responsibility" of the BHA with respect to Urquijo. That responsibility will soon be assumed by the BHA, although this weekend there is a discussion of the details that should be involved in this responsibility and the sort of aid that the Bank of Spain would be able to provide the bank that will soon control the

majority of the Urquijo capital. It appears that the final formula will not have the character of a fusion--among other things, it involves banks with different legal statutes, given the fact that Urquijo is an industrial bank--but that of majority control of Urquijo by the BHA through a public offer to buy at a price that will be very close to or even below the nominal value.

It is foreseeable that following the purchase of majority of Urquijo, the governing bodies in this bank will undergo a substantial change, although reliable sources have indicated that it is too soon to speculate on who will be the top executive of the industrial bank.

With the majority control of Urquijo, the BHA becomes the most active bank in helping to solve the banking crisis, despite the fact that in this case it involves a very special crisis, with no clear capital imbalance, although there is indeed a clear lack of profitability. If, in addition to the operation to save Urquijo, Banunion also has to be saved, then the BHA has a significant banking challenge ahead of it.

9745

CSO: 3548/145

ELECTRONICS, TELECOMMUNICATIONS URGED FOR ECONOMIC GROWTH

Madrid YA in Spanish 13 Jan 83 p 23

[Text] The national electronics plan must consider the public sector as the driving force in its development in Spain, according to the main recommendation of a study carried out by the committee of experts designated by the previous UCD [Democratic Center Union] government and chaired by Jose Angel Sanchez Asiain. This document, to which YA has had access, will be delivered this month to the present executive for review and discussion, and proposes as primary instruments in the hands of the administration purchases for defense, telecommunications and data processing. Other sectors that will be affected by the national plan are consumer electronics, microelectronic components, telematics, radio broadcasting and television, electronic medicine, industrial electronics and electronic components.

The committee of experts bases its assumptions upon the fact that consumption in Spain of electronic products relative to gross domestic product represents only half the normal percentage in developed countries and shows a very large deficit in balance of trade. It therefore considers as essential a careful foreign trade policy and an appreciable improvement in the quantity and quality of production to satisfy the market increase.

Implementation of the actions that it recommends must be initiated--in nearly all cases--within a time frame of under 1 year with a 4-year plan and flexible outlook for purchases by the public sector. It likewise considers of prime importance actions in the fields of research and education, especially at the professional training level, and that preferential treatment be afforded the electronic sector in tax and administrative measures aimed at promoting exports.

Regarding the loss of employment that will be caused by automation, it believes that an estimate must be made of how to go about attaining competitiveness in the marketplace which will allow a clear pattern of labor supply and demand.

Negative Trade Balance

Relative to the telecommunications and telematics sector, it believes that imports represent 15 percent of the market and the trade balance is positive, although it has excessive personnel and significant participation by multi-nationals in its share capital inasmuch as considerable investment is needed

for its technological innovation. However, it believes that capabilities for technological development exist in a country such as ours both in transmission and switching and in technical support of commercial use, and recommends that equipment purchasing programs be defined annually as a commitment for 2-year periods and that the administration produce, within 6 months, a plan of action for 4-year periods which defines economic, financial, rate and fiscal conditions within service commercial use entities.

It further feels that the introductory program for videotex, teletex, telefax, burofax and dataphone should be terminated in the first 6 months of this year and that the administration should adopt these new services so as to speed up its administrative procedures. In the defense electronics industry, inasmuch as the requirements of the armed forces constitute the whole market, state-industry deems it essential. Here the trade balance shows a deficit because national production is under 10 percent of actual imports with businesses having a good image because of limitations resulting from the meager scheduling of purchases.

That is why it proposes that the armed forces undertake whatever actions may be required to broaden the degree of technological independence and improve supplies by Spanish industry, promoting the existence of small and middle-size businesses and transferring to all the national companies those functions of maintenance of systems or equipment supplied by foreigners.

As for data processing, public demand represents between 20 and 30 percent, with the state providing part of the equipment (Secoinsa and Telesincro) and services (Eria and Entel). The national market is estimated at 109 billion pesetas with a strong presence of multinationals.

The committee recommends planning oriented toward prioritizing use of data processing to streamline state operations (economic and financial planning) or for greater use to the citizenry (health and education), all of which makes possible a national industry and with middle-term (2-3 years) programming. Among other proposals it plans to establish an enterprise in the United States to assimilate technology and analyze international markets so as to disseminate relevant information to our country and create a data bank oriented toward legal, technical, scientific, economic and cultural areas.

With regard to consumer electronics, the report asserts that a future market exists both in audio and television, and most especially in videocassettes. Imports in the audio field are 77 percent; in television 4.6; and in videocassettes 100 percent since no national production exists. Some ten companies account for 90 percent of the turnover and all make an acceptable profit. Practically nothing is being done in research (Japan earmarks 12 percent from volume of sales for this purpose).

As a result, the committee believes that the existence of our own videocassette industry could serve as a bridge between traditional items of consumer electronics and new ones which must be included within it.

Relative to electronic components, since only one producing factory exists, the market is supplied almost exclusively by imports, although this plant possesses its own technology and a sample of its items for sale goes to the foreign market. Therefore, a strengthening of its production framework is needed so as to broaden its capabilities, also bearing in mind that in Spain noteworthy initiatives have crystallized both in silicon technology and in design, according to the document cited, which recommends preparation of some special programs touching upon initiatives in research, design and manufacturing.

Promotion in Latin America

It says that with regard to radio and television, state purchases have represented nearly 90 percent, although the authorization of private broadcasting stations has placed the percentage at 60, since the value of imports is ten times higher than that of exports.

Among recommendations is one in which acquisitions of equipment by autonomous communities include consideration of state themes and that a minimum time limit for beginning to broadcast be required after issuance of private broadcasting licenses so as to provide time to the national industry to satisfy the demand. It also asks that the administration favor collaboration of businesses with the RTVE (Directorate General of Radiobroadcasting and Television) with a view toward promotion of our industry in Latin America.

Public demand in electromedicine is 85 percent, with imports registering significant growth. The proposal states that, in view of the lack of a model for national health which establishes planning for state purchases, the administration should study purchases by the public sector so as to bring in national products at 35 percent of the domestic market within 3 years and at a level of businesses to attain an export level about 20 percent of production itself.

As for the electronic components sector, it is proposed that a study be made of a joint plan with the automobile sector on the introduction of national components and that access to official credit under favorable conditions be facilitated for businesses which switch their traditional cable manufacturing installations to fiber optic systems.

In industrial electronics (robotics and instrumentation), except for businesses linked to multinationals, the remaining businesses find themselves in a precarious economic situation. For that reason, this committee asks that the administration prepare a pertinent list that will allow a thorough study to be made of potentials in the country so as to channel demand for those products whose technology is controlled in the country, and to limit imports. It also recommends that it favor and manage use of robots and their manufacture in Spain in various areas of production, and channel subsidies and financial aid toward businesses which manufacture and utilize robots.

The administration must also establish at least three centers in suitable demographic areas so as to prepare and disseminate techniques for its utilization and develop prototypes on a scale suited to the requirements of small- and middle-sized businesses.

VOLVO'S GYLLENHAMMAR SEEN AS INDUSTRY HEIR TO WALLENBERG

Helsinki HELSINGIN SANOMAT in Finnish 30 Jan 83 p 21

[Article by Vesa Santavuori: "Volvo Director Predicted Heir to Wallenberg's Throne"]

[Text] Stockholm--The king is dead, long live the king! General Manager Pehr G. Gyllenhammar of the Volvo Corporation is now being groomed in Sweden since the beginning of the year as the heir to the mantle of Marcus Wallenberg in accordance with this old formula for the order of succession.

Marcus Wallenberg, who has been described as Sweden's last and "almighty" industrial baron, died last fall at the age of 82.

He left such a vast vacuum in the economic power structures that there was an immediate public effort to fill this vacuum simply for reasons of national continuity and perhaps even self-esteem.

However, there are more possible heir apparents than the one needed to fill this position of power in industry. As an heir of a political nature Gyllenhammar, nevertheless, seems to be the most publicized as well as the most interested.

Marcus Wallenberg is talked about as the last Swedish industrial boss, who watched over all economic life and who at the same time, however, had a good grasp of international events.

Nevertheless, in the mental picture of the man on the street Wallenberg's attention was primarily focused on "Sweden" while, on the other hand, the current "new breed" business leaders are "more international". Gyllenhammar seems to have a good reputation in Sweden as well as abroad.

The testing of mutual power positions has become ever more evident within the Wallenberg economic empire as well as in Sweden's industrial life in general.

A Drawing of Lines Over This Issue

Only very little information has trickled into the public domain, but this little points to a strengthening of Gyllenhammar's positions according to

the estimates of various sources. Attention has been fixed on the manner in which the Wallenberg group has allowed Volvo to acquire shares from its empire.

At the same time there also has been serious talk about Gyllenhammar's characteristics as a leader of big business. The 47-year old industrialist has left the impression that broad lines have been drawn over this issue.

As far as is known, Gyllenhammar had significant ties with Marcus Wallenberg while the latter was still alive. It is argued that Wallenberg had given attention to the young Gyllenhammar several years ago already, but their relations did not become close until Marcus Wallenberg's life was coming to an end.

It is said, for example, that at the end of the 1970's, when Gyllenhammar's position at Volvo was weak and being threatened and there were rumors of his resignation, he received "secret moral support" from Wallenberg and he came out of the crisis a victor.

Gyllenhammar's and Wallenberg's cooperation became public in the spring of 1982 when they held several discussions. According to the allegations, the future of Sweden's entire industrial structure was dealt with at that time and agreement was reached on some rather concrete projects.

Included in these ventures was the fact that Volvo purchased one-fourth of Atlas Copco, which belongs to the Wallenberg sphere, and also has begun to acquire one-fourth of Stora Kopparberg.

Gyllenhammar had already previously been allowed to become a member of the board of directors of the Skandinaviska Enskilda Bank, the flagship of the Wallenberg empire. And in December 1982 it became evident that Skandinaviska Enskilda Bank had in all secrecy acquired 15--20 percent of the "voting block" of Volvo's shares.

Rumors of Concentration of Power

There has been talk about so-called crosswise buying by which businesses working together are attempting to prevent outside influence in their firms by means of share acquisitions.

The leftwing has even seen the handiwork of the old Wallenberg in these actions as an attempt to prevent the possible influence of wage earners' funds -- an allegation which commercial and industrial quarters have denied.

However, this impression was created when two of Sweden's industrial conglomerates or the Wallenberg sphere and the Volvo Corporation were concluding EFINITE agreements with one another.

By Swedish standards this would be a powerful shift of power. The business volume of firms more or less connected with the Wallenberg empire was approximately 170 billion kronor in the fall of 1982 and the number of employees was a half million.

The Volvo Corporation, for its part, employed approximately 75,000 people in 1982 and its sales increased to more than 75 billion kronor. At this time Volvo is Sweden's largest privately owned corporation and is successful (gross profit in 1982 was 2.4 billion kronor).

Interest was very great when pictures were made public in which Gyllenhammar was shaking hands with Marcus Wallenberg's son Peter, 56.

There were rumors that Gyllenhammar would perhaps be made chairman of the board of directors of Skandinaviska Enskilda Bank while at the same time one of the members of the Wallenberg group, most likely Curt Nicol, would be elected to the board of directors of Volvo.

These events have been interpreted in the eyes of the people to mean that Pehr G. Gyllenhammar has now been chosen as the executor of Marcus Wallenberg's industrial will.

In fact, the situation is certainly significantly less indifferent or straightforward. There are enough good men within the Wallenberg group, but, on the other hand, a powerful outsider is more beneficial as a friend than, for example, an opponent.

On the other hand, all the merger ventures between Volvo and the Wallenberg group have not been as smooth as clockwork. The most significant opposition has been encountered in the acquisition of Stora Kopparberg's shares.

According to the most recent information, Volvo will not directly acquire 25 percent of Stora Kopparberg's shares, which means that Volvo will have to acquire them through the stock exchange. That may take years, estimate the sources, which could mean that the whole venture may fall through.

Visibly Involved in Party Politics

The events of recent months at the highest levels of industry have in any event made Gyllenhammar a highly visible public figure. He has aroused particular interest by his visible participation in political activities.

Many are puzzled by the fact that the leader of Sweden's largest industrial firm has chosen for his position of influence the smallest bourgeois party in the country or the (liberal) People's Party, which accumulated only a little less than 6 percent of votes in the last elections after suffering a crushing defeat.

Even more people are amazed that as a successful businessman Gyllenhammar bothers to participate in party politics at all.

Perhaps, tastefully, the only answer is that "a very well-heeled gentleman in the area of Goteborg has traditionally done something for the common good without expecting any monetary compensation".

Volvo's headquarters is in Goteborg. For decades the area has been known as a stronghold of liberalism. This is the circumstance that explains Gyllenhammar's involvement in the People's Party.

His wife Christina -- "sharp as a razor blade" -- and the daughter of Volvo's former director Gunnar Engellau have also participated in local politics.

Even according to outside assessments, the selection of the People's Party is an admirable move on the part of Gyllenhammar from the point of view of public relations.

The party does, indeed, have liberal ideas, the accomplishment of which in practice would hardly hurt anyone. As the director of Sweden's largest industrial corporation he gains the favor of hundreds of thousands of his employees by his participation in the People's Party to a considerably greater degree than if he belonged to a conservative party promoting a strict right-wing policy, for example.

As a quick-witted individual who scrutinizes the results Gyllenhammar has, however, given us to understand that he is tired of the "slowness" of politics. He has threatened to resign from the party leadership unless the pace changes.

Without mentioning any names he has also criticized Ola Ullsten, leader of the People's Party, who suffers from problems of charisma. A party program should not be accomplished superficially in the manner of an incompetent official who abuses his duties by adopting an indifferent attitude toward them.

Involvement in Interests

The key word in Gyllenhammar's opinion is involvement, complete involvement in whatever one does. He himself seems to be a good example of this also in his free time in addition to the management of his company.

For example, he plays tennis, rides horses, and sails. He willingly goes anywhere in the world to make contacts with people having similar interests. All the above-mentioned interests are also favored by the average Volvo car buyer.

In spite of the talk about total involvement, it is said that Gyllenhammar has built a protective wall around himself, which makes Pehr G. Gyllenhammar the person virtually invisible. Very few know him well.

Therefore the public word has voraciously seized upon the test results which it is alleged the American psychoanalyst Michael Maccoby obtained from Gyllenhammar.

The Rorschach ink-blot tests were used. The result: "Gyllenhammar avoids close contacts in the manner of many other Swedes."

He is also clearly a competitive person, who wants to control, states the psychiatrist. Gyllenhammar feels free only when he is sailing, "when one sails at a high speed and is continuously competing... and then at night when one is alone in the dark and can see the lights of the other boats, then one knows that they out there feel the same as you".

Proclaimer of Great Visions

Gyllenhammar is also known as a proclaimer of great visions for the future. He believes in Sweden's potentials and estimates that the whole Nordic area can someday in the 1990's after a period of maturation become a significant "bloc" in Europe.

His close acquaintances predict an even greater future for Gyllenhammar himself. According to information in the newspapers, it is expected that Gyllenhammar will someday become the general manager of a large American company. The idea of becoming the secretary general of the UN is not foreign to him, disclosed a certain bourgeois newspaper.

10576

CSO: 3617/62

SINOWATZ ON ELECTION, RELATIONS WITH OTHER PARTIES

Vienna PROFIL in German 21 Feb 83 pp 14-15

[Interview with Austrian Vice Chancellor Fred Sinowatz by Josef Votzi; date and place not specified: "I Do Not Want to Go Back to Burgenland"]

[Text] [Question] The SPOe now has two men saying they would serve as chancellor only in an SPOe government. Kreisky wants to stay on only in case the SPOe obtains an absolute majority. And you, as his logical successor, have said that you would not head a grand coalition government. How would things work out, if the SPOe lost the absolute majority ?

[Answer] My primary task is not to become chancellor but to continue as vice chancellor in a Kreisky government. The outcome of this election is even more difficult to predict than any previous one. During the past few weeks, I have therefore have been saying again and again that it hardly seems possible to arrive at a consensus with the OeVP as a result of the very different views we have on economic policy.

[Question] But if the SPOe does not obtain an absolute majority, then you would be next in line logically enough.

[Answer] The chancellor said last week that he would in such a case look to me, if the party wanted it that way. And if my friends in the party shared the chancellor's view, that might very well happen.

[Question] Does the party want you ?

[Answer] That is my assumption.

[Question] You do not want to go back to Burgenland ?

[Answer] However the election comes out, I will certainly stay on as a deputy in the parliament and will not go back to Burgenland. I made that decision some time ago.

[Question] The possibility of your taking the Burgenland provincial governor's job can be buried once and for all then ?

[Answer] That is correct. I never seriously considered it.

[Question] Deputy Blecha says you should take over the party chairmanship, if you became chancellor. Would you want to do that ?

[Answer] In the long run, I think, it would be an advantage for the chancellor's job and that of party chairman to be held by the same person. But Blecha was quite right to point out that there might be a period of transition. But none of all this is really topical at this time. Besides, after the election there may be a different set of circumstances which would necessitate an entirely new look at the matter.

[Question] If such a set of circumstances included the formation of a grand coalition—would that leave you out of the picture ?

[Answer] That I could not say at this stage. The only thing I can say is that the restrictive budget proposals recently put forward by the OeVP which call for cuts varying between 40, 60 and 80 billion represent a complete reversal of the successful Austrian policies of the past.

[Question] You do not feel that the 60-billion package could be a basis for negotiations for a grand coalition ?

[Answer] It would be very, very difficult to find a way jointly with the OeVP on this basis.

[Question] Very, very difficult—but not impossible ?

[Answer] In political life, "impossible" simply does not exist. One must always try to find a way no matter what the situation might be like.

[Question] Things are never quite as rough after the election as they appeared during the campaign.

[Answer] To start with, I must point out that the OeVP has made an official statement that is unacceptable to the SPOe. The policies the OeVP has in mind clearly aim at destroying the budget and endangering tens of thousands of jobs. But I could easily imagine that this may not represent the views of all segments of the OeVP and that those in the OeVP who are directly concerned with the economy may not agree with such a policy at all.

[Question] Do you have anyone in particular in mind ?

[Answer] All those who cannot possibly be in favor of cutting investments for the national railroads because this would jeopardize both railroad jobs and jobs in industry that uses the railroads. Another possibility would be that the rates would rise steeply which in turn would have an impact on business in terms of higher transportation costs.

[Question] In your view, who are some of the people inside the CeVP that think along these lines ? President Sallinger or Graf...

[Answer] Both chamber of commerce president Sallinger and Burgenland chamber president Graf are political figures who are aware of economic conditions and have done their share within the framework of social partnership to promote general well-being in Austria over the past years and decades.

[Question] In the long run, you will not be able to keep up your unconditional rejection of any budget cuts whatever.

[Answer] I would not deny by any means that cuts can be made here and there; in the area of subsidies, for example. We cut those by 15 percent over the past few years; we saved 300 million schillings on free school books over the past 5 years. But the thing is that the CeVP proposals do not merely call for savings; they are aimed at existential problems of economic policy. Those are the kinds of cuts that make things kaputt, one could say. But that does not mean we will not have to get out our red pencils during the next few years given the economic situation we have.

[Question] Would you feel better overall forming a coalition government with the FPÖe ?

[Answer] What the FPÖe has been saying about socialized industry, for example, has not made me any more optimistic.

[Question] Let us get back to the possibility of your becoming party chairman. Bruno Kreisky has also left you a legacy with respect to Androsch. Will you accept it ?

[Answer] Just as our party does not believe in a ceremonial transfer of power, it does not believe in legacies either.

[Question] Legacy or not—would you as party chairman turn over top positions in the party to people who say they are sorry they are not millionaires ?

[Answer] In our movement, there is room for all sorts of views. One cannot simply relate that to individual personalities.

[Question] Kreisky, at any rate, expended much of his inside-the-party energies to remove Androsch from the government and to make it difficult for him to resume his party career.

[Answer] You are mistaken in thinking that the chancellor expends much of his energy on issues of this sort. There are certain conceptions the chancellor has concerning political life and social democracy in our time and those are decisive in shaping his actions.

[Question] Do you share these views of his without reservation ?

[Answer] Yes, in many areas.

[Question] Let us look at the other end of the party spectrum. Are you in favor of Josef Cap's obtaining a seat in the next parliament ?

[Answer] I have absolutely no objections to that.

[Question] But you will not help him ?

[Answer] First we must win the seats. Then we can decide what to do with them. Substantive questions will be a factor then. One cannot say any more about it at this stage.

[Question] After Cap put his three questions to Kery at the last party congress, did you take his name off the ballot for the party executive committee ?

[Answer] I did not take anyone's name off the ballot.

[Question] If you became chancellor, what would your economic policy be like ?

[Answer] Most certainly a continuation of the policy of the past few years. It has given us a much better starting position to conquer unemployment and the consequences of the worldwide crisis. We must stay this course and thereby weather a period of time—which may not last long at all—until more favorable economic conditions re-emerge.

[Question] In other words, deficit spending until the recovery takes hold ?

[Answer] We must have enough elbow room to stay with this policy and will perhaps have to use the available funds in an even more targeted manner.

[Question] The number of those who believe the crisis will get even worse and will only be overcome by introducing shorter working hours is getting larger all the time.

[Answer] Over the next few years, we will be debating that question again and again; but it can only be solved on a worldwide basis. It is certainly no panacea against the crisis.

[Question] If others go this route, will we join them ?

[Answer] Not only then. As far as employment policy is concerned, we have always been known for dynamic approaches. In this instance, too, we must go the time-honored Austrian route and try to attain a broad political consensus.

[Question] If you became chancellor, how would you deal with the perennial Zwentendorf issue ?

[Answer] That issue must be resolved on the broadest possible level.

[Question] As an OeVP gift for joining a grand coalition ?

[Answer] That is out of the question. Let me say it again: a new referendum could only take place on the basis of a really broad consensus.

[Question] It will not come any broader than with the OeVP joining in.

[Answer] In my view, a really broad consensus would have to include all segments of the population that are politically and socially relevant.

9478

CSC: 3620/234

PAPER EXAMINES SOCIALIST PEOPLE'S PARTY OPPOSITION ROLE

Copenhagen BERLINGSKE TIDENDE in Danish 21 Jan 83 p 9

[Editorial]

[Text] According to several opinion polls SF [Socialist People's Party] has been able to hold more or less all of the voters who supported the party in the parliamentary elections in 1981 and who made the party one the country's largest. It was in response to this electoral advance that the Social Democrats sought to crush SF by pulling it into a position of parliamentary responsibility. The maneuvers which were attempted in this effort pulled the country down in the spring of 1982 until Anker Jorgensen was allowed to give up.

The effort to crush SF was not successful--either politically or in electoral support. While the Social Democratic policies foundered in great difficulties, the SF was able to cross its arms. It did not want to join in a genuine governing coalition, because it was more pleasant to remain outside. It did not wish to participate in any obligating cooperation with the Social Democrats and the Radical Liberals because it was more fun to observe how the Radicals had to twist and turn and how splits appeared among the Social Democrats.

SF has had since Aksel Larsen founded the party the principal strategy of keeping the Social Democrats on the track. And different SF leaders have often spoken of how the Social Democrats had a program that was reasonable, but policies that bowed to nonsocialist interests. Such were the remarks of Aksel Larsen, and Gert Petersen repeats him.

It is somewhat peculiar for an independent political party thus to have as its principal mission to influence another political party. It is not less strange when the party over a long period has had--for Danish conditions--rather strong voter support. It is thus with this background that the party's highest organ has now begun to consider seriously under what conditions it might accept governing responsibilities.

It is thought-provoking that SF, after nearly 25 years of parliamentary existence, has now begun to consider whether an existence which contains possible responsibilities is acceptable. At least it is worth pondering that SF just now is beginning to consider.

For the facts of the matter are that even if the desire has been present, SF could not for many years live up to governing responsibilities with the Social Democrats. Defense and foreign policy stood in the way. But while parliament member Robert Pedersen (Social Democrat) is now on the way out of the committees where he promoted the old Social Democratic security policies, SF is preparing itself in the wings. If the Social Democrats carry out its security policy about-face, the Social Democratic barrier for a mutually obligating governing coalition will be greatly reduced. So then only the small voter deficit will be a hindrance. [For more on Pedersen's resignation, see Military section.]

9906

CSO: 3613/55

BRIEFS

GREENLAND BASE ISSUE CONTINUES—SF (Socialist People's Party) and VS (Left-Socialist Party) have again asked Defense Minister Hans Engell, Foreign Minister Uffe Ellemann-Jensen, and Greenland Minister Tom Hayem about the Danish-American defense areas in Greenland--especially the Thule base. This was occasioned by information that the bases on Greenland have been modernized to such a degree that they can be used actively as a surprise attack weapon in case of a nuclear war between the U. S. A. and the Soviet Union. [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 21 Jan 83 p 7] 9906

CSO: 3613/55

PASTOR INTERVIEWED ON PEACE MOVEMENT CONCEPTS, AIMS

Paris LE MONDE DIMANCHE in French 5 Dec 82 pp 9, 10

[Interview of German Pastor Helmut Gollwitzer by Marcel Drach and Dorothee Von Tippelskirch: "The Pastor and the Pacifists"--date and place not given]

[Text] Ever since the war, German Pastor Helmut Gollwitzer has been campaigning for peace and disarmament. After being for a long time a voice preaching in the wilderness, he is witnessing with joy that his ideas have now been adopted by a broad popular movement.

Helmut Gollwitzer teaches Protestant theology at the private university of West Berlin. Born in 1908 in Bavaria, he was a pupil of Karl Barth during his theology studies. A supporter of the left wing of the Social Democratic Party (SPD), in 1933 he became a member of the Confessional Church established at that time in opposition to the official church. In 1938 he replaced as pastor of Dahlem parish in Berlin his friend Martin Niemoller, who had been arrested by the Nazis, and taught at the illegal university of the Confessional Church.

In 1940 he was drafted into the German army as a nurse; he was taken prisoner and confined in a Soviet prison from 1945 to 1949. He told of this experience in a book published in 1951 that was printed in several million copies. Although denouncing the Stalinist system, he unequivocally kept his distance from the anticommunism of the Adenauer era.

His theological studies led him to concentrate on the relationships between Christianity, on the one hand, and Judaism and Marxism, on the other. His main interest was his effort to articulate political and ethical ideas. As of the beginning of the 1950's, he came out in support of peace, in opposition to FRG rearmament, and made efforts to get the church to speak out unequivocally on nuclear weapons.

[Question] Since 1980, a large-scale pacifist movement has been developing in the FRG. What are its main ideas and composing elements?

[Answer] For people like me who after 1945, since the establishment of the FRG, have really been the opposition, on the armament policy as well, today's

peace movement is a big surprise. For 30 years, indeed, we have been struggling against the tide of the majority of FRG citizens, especially since the FRG joined NATO. It is true that in 1957-1958 there was the strong but shortlived Fight Nuclear Death Movement; but it collapsed very quickly.

From 1960 to 1967, when we conducted the "Easter marches" through the streets, we encountered only indifference or disapproval. To the majority of our citizens, the awareness of belonging to NATO served a dual purpose: First, it provided protection against the Eastern countries, against the Russians; second, thanks to the nuclear balance, it was a means to guarantee peace. Why doesn't this still apply today?

The reason is not only NATO's twofold decision of November 1979--to overarm and to introduce a new generation of weapons. First, there was the Soviets' entry into Afghanistan and the U. S. reaction to that invasion. That upset people considerably. They had reached the point of supporting the detente policy and accepting the idea of normalization of relations with the Eastern states; and then had become tranquilized. They now discovered: 1) That detente was over; and 2) that the nuclear balance was no longer effective.

Ronald Reagan's election and the new administration's harsh stands against the Soviet Union added to our fellow-citizens' concern. We live between the American tiger and the Soviet bear. Frightened of the bear, we put ourselves under the protection of the tiger, and we have thereby done well for several decades. However, if the bear and the tiger come into conflict, we have the greatest interest in their maintaining peaceful relations.

As for the main elements one can identify in the peace movement, I would first like to point out the individuals, outside the groups mobilized by the movement, who are spread through the entire population, a great host of supporters. That also is a completely new phenomenon. According to a recent poll by DER SPIEGEL, half of FRG citizens are in favor of the peace movement. First, there was the Krefeld appeal, which collected more than 2 million signatures. *

The Atomic Bomb and Guerrillas

It was said that the communists were behind the peace movement because among the founders was the German Communist Party (DFP) and some of its subsidiary organizations. However, that was hardly convincing, because also involved were noncommunist figures whose commitment no one could question: Pastor Martin Niemoller, who had a considerable reputation; and General Bastian, who because of his warnings against the NATO resolution was retired, ejected from the Bundeswehr, causing a major scandal. There was also Petra Kelly, a representative of the "Greens," the ecological movement.

* The Krefeld appeal was a document urging disarmament issued in November 1980 by the German Peace Union.

Following the Krefeld appeal, there was a little bit of movement in the Social Democratic camp: groups and individuals, among whom the most well-known is Erhard Eppler, member of the SPD presidium. Then there were a number of very important organizations, particularly Christian youth organizations. On the Catholic side there was the international organization Pax Christi, and for the Protestants the very effective organization that we founded in 1958, the Aktion Sühnezeichen-Friedensdienste (ASF) (Qualities of Penitence, Public Service Action).

Also, we must not forget the whole range of groups of all kinds, youth groups, local groups, even associations of chess players, which had never been involved in politics but that have all of a sudden become politicized.

[Question] What are the various attitudes in regard to security and defense represented in the peace movement?

[Answer] First, pacifism. It is spreading among the very young. An example: When they learned that I, who have always been a militant for peace, had given money to a collection to buy arms for the El Salvadoran guerrillas, I was assailed everywhere I went by young people with questions full of reproach: since they believed in a rational renunciation of all violence, they asked me how I could reconcile my action with the struggle for peace in Europe. They could not reconcile this horror of violence with the fact in many areas of the Third World you have to look at things differently.

That shows the extent to which this pacifist sentiment is developing. The number of young people refusing to perform their military service on the grounds of conscientious objection is assuming considerable proportions. Every conscientious objector must take an examination to prove that he would not resort to violence in any situation. He is asked the usual question: "But what would you do if a Soviet soldier raped your friend or your mother? In that case, would you..., " etc.

Then there are those--and the majority of people who are not outright pacifists fall in this category--whom I will call antinuclear pacifists. They say--as I do also--that, with nuclear, biological, and chemical weapons, war is no longer what it was over the past 6,000 years; weapons have no resemblance to what they were up till now. And all the arguments used by the Christian churches to justify Christians' participation in a war under special circumstances, the so-called just war concept, are no longer applicable in the conditions created by the nuclear weapon.

As for strategic concepts that prevail in the peace movement, they are very varied. Rigorous pacifists envisage "immediate" elimination of all military capability. Those who support such a solution realize that it could not be done all at once. Thus, they are not so far removed from those who call for gradual disarmament, which is the other main option. That said, the objective around which all elements of the peace movement are united is the "no" to NATO's two-fold decision. Secondly, there is

the idea that the Bundeswehr should be converted to a purely defensive army, with strictly defensive weapons, and excluding the neutron bomb. A third concept; that of civil defense. That would involve training German citizens to put up resistance to any aggressor in order to make that aggressor's occupation of the FRG as difficult as possible.

Then there is a more political concept; that of neutralization, which should not be confused with neutralism. Instead, this involves a disengagement similar to the Rapacki Plan proposed at the end of the 1950's: first, without affecting the blocs, there would be denuclearization of Central Europe, and subsequently, as far as possible, all of Europe from Poland to Portugal. Then there arises a new danger: the view--held by Franz-Josef Strauss and other German Gaullists--of Europe as a nuclear power. Thus, we have to fight on two fronts, and take care that escape from the American nuclear embrace does not lead Europe to arm itself to the teeth.

[Question] You were among the first signatories of an open letter to Leonid Brezhnev during his visit to the FRG last fall. The letter called for removal from the two Germanies of all occupation forces, demilitarization of the two countries, and their removal from the confrontation between the blocs. Since then you have developed some serious reservations about this initiative. Why?

[Answer] That letter also concerned the division of Germany, which it regarded as one of the main causes of the East-West confrontation. It called on Brezhnev, as well as the Western powers, not only to withdraw all foreign troops from German territory, but also to leave it to the Germans to themselves decide what they would do afterwards. It was because of this last phrase, which I consider to be meaningless that I had to withdraw my approval. No European people will be willing to agree to leave us Germans to ourselves. We represent much too large an entity in Central Europe for anyone to give the German people, even demilitarized and even having become very democratic, the possibility to recreate the Bismarckian state and subsequently to do as we like. I consider this erroneous.

"I Oppose Reunification"

[Question] Is the reunification hope still alive among west Germans?

[Answer] Among the older people, yes; but no longer among the youth. This means that we are a people in transition from a state structure to some other structure to come. In 1870 there were two solutions to the German problem. A greater Germany ruled by the Hapsburgs, or a small Germany, under Prussia, and excluding Austria. The second alternative prevailed. In the 1950's we still opposed integration of the FRG into the Western camp, and thus opposed Adenauer, because we felt that that would strengthen the division of Germany. Now--and I am giving you my personal opinion--I am opposed to the reunification. Austria is definitely not part of Germany;

like Switzerland, and that has been true for hundreds of years. That is not a bad thing for Europe. The only thing that interests us as Germans and human individuals is being able to travel freely between the FRG and the GDR, just as we now do with Austria.

[Question] However, that letter also made an original contribution with regard to other initiatives: It was signed by citizens of both the FRG and the GDR. What did that mean to GDR citizens to be signing an appeal together with Germans of the West?

[Answer] That was why I signed despite all my reservations. The question remains whether when such initiatives originate from West one can hope that the spark will spread to the East. Or if, on the contrary, the effect is the reverse: whether it would not be better, considering the fear by those in power of any destabilization, to just leave the Eastern peoples to apply--to the degree that their capabilities permit--pressure for disarmament on their governments and military-bureaucratic complexes.

[Question] What differences do you see between the peace movement today and that at the end of the 1950's?

[Answer] The present movement originates from the bottom up, and it is directed against all established political institutions. For this reason, it has a different autonomy and will probably have a different life span. This time, it is not certain that shrewd political propaganda will be able to lull these people; and we will do all we can to prevent that. That is in itself a major difference between yesterday and today.

[Question] Is there also an ideological difference?

[Answer] Though I was entirely a man of the left, I spent several years during the war in Soviet prisons. Thereafter, I stayed on the left, but Stalinism horrified me. Once back at home, I told myself that capitalism with a humane face was just about the best one could hope for in this valley of tears. This was also the opinion of the West Germans, the unions, and the Social Democrats. The latter were not just reformists; to say so would be considerably less than the truth. They constituted a pro-capitalist party.

Today, under the influence primarily of the student movement and the ecological movement, criticism of the society is much more widespread than in the 1950's. The destructive aspects of the capitalist economy are much more evident than previously. The least positive reaction on these issues is still that of the trade unions.

We should hope that the bitter experience of the economic crisis will accelerate the emergence of a critical social awareness; that the relationship between this crisis and the looming danger of nuclear catastrophe will be understood; and we should hope that unity will develop between a progressive labor movement and the peace movement. This is still far from being the case, given the extreme depoliticization of the labor world. As long as workers feel they are faced with the alternative: work for the nuclear industry or be unemployed; as long as that erroneous belief survives, they will be subject to all the forms of manipulation.

FDP VOTES FOR PARTY CONGRESS TO PRECEDE ANY FUTURE COALITION CHANGE

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 31 Jan 83 pp 1-2

[Report by correspondent Horst Schreitter-Schwarzenfeld; FDP Party Base Fetters Party Leadership--No Further Change in Coalition Without Party Congress"]

[Text] Freiburg, 30 January--A switch in coalitions by the FDP such as occurred last fall will no longer be possible according to party statutes. By a two-thirds majority, the delegates of the special Liberal party congress in Freiburg decided Sunday [30 January] that agreements with other parties henceforth must be approved by an FDP party congress.

A relevant text is now part of the party statutes. Last fall the FDP switched from the SPD to the CDU/CSU without the party, represented by a party congress, having approved the step. The switch was sanctioned only ex post facto by the Berlin party congress in November.

As might have been expected, the FDP pledged in Freiburg to renew the coalition with the CDU and CSU. On the basis of various amendment proposals and with the executive's agreement, the term "coalition of the center" was changed to "coalition with the CDU/CSU." The FDP, the resolution continues, is determined, "by implementing a maximum of Liberal policy, to make this coalition a success for our country--on the assumption that the CDU/CSU does not obtain an absolute majority."

Proposals which would have restricted the party leadership further did not meet with any success. If the Schleswig-Holstein party association had had its way, the FDP would have been supposed to go into opposition if certain Liberal positions were not realized. Another proposal was directed toward preventing the party from committing itself for the entire duration of the next legislative period. An attempt to commit the FDP to a "new reform alliance" with the Social Democrats and the Greens was voted down decisively.

The long-simmering controversy as to which group is to be the official party youth organization was settled in Freiburg. In the future the Young Liberals (Juli's) are to replace in this role the Young Democrats (Judo's), whom many party members have been criticizing as being too leftist. The

party statutes are being amended accordingly. It was only the second time round that the needed two-thirds majority for changing the statutes materialized, following an objection to the effect that confusion had reigned during the first vote. When the question as to whether there should be a second vote was submitted, a majority voted for a second round. The Juli's then managed a narrow majority of two votes above the required two-thirds.

After the second vote Hamburg delegate Maja Stadler-Euler announced her resignation from the FDP, saying that a party which paid "so little attention" to intraparty democracy did not have a chance. Other delegates announced that they would appeal the decision to party arbitration.

As early as Saturday night, the party congress had approved the FDP election platform for the 6 March Bundestag elections. On issues, the FDP differed in some points from its CD/CSU coalition partner. In the field of judicial policy, the Liberals demand a "reexamination of the antiterrorism law," with election statement No 83 stating that particularly the law barring contacts with terrorists must be "suspended."

At the request of the Young Liberals, the party also took a stand on the question of conscientious objection, advocating support for the present legal position. The following passage was added to the pertinent election statement: "The current time-limited regulation concerning the right to refuse armed service must no longer be revised in the spirit of previous regulations. Facts, not a questionable examination of a person's conscience, are to be crucial as regards recognition of armed service refusal."

In the field of fiscal policy, the FDP intends to support a reduction of direct taxes. It adds the following restriction in its relevant election statement: "Insofar as the budget situation permits." Numerous party congress speakers, including Chairman Hans-Dietrich Genscher, criticized the CDU for its change of course in the question of the compulsory loan, which the CDU/CSU wants to turn into a not repayable special tax. In addition the party congress voiced its opposition to the planned completion of the Rhine-Main-Danube canal and to the planned construction of autobahns.

In foreign and security policy the party congress confirmed the previous Genscher line. A special party congress is going to deal with the question of the stationing of missiles in order to "examine the concrete counter-arming needs...in light of concrete negotiation results reached by that time." With this line a decision already reached in Berlin was confirmed. Newly added is the demand for "immediate announcement of possible stationing locations."

In filling a party executive vacancy, the new Hesse Chairman Wolfgang Gerhard prevailed, replacing Andreas von Schoeller, who has gone over to the SPD. Klaus Gaerntner, a Bundestag deputy regarded as leftwing, was not nominated by his Land party (North Rhine-Westphalia), which instead nominated Friedhelm Rentrop of Bonn. Rentrop, who is among the plaintiffs against the dissolution of the Bundestag before the Federal Constitutional Court, was defeated by Gerhard in a vote of 144 versus 47. Even the outsider Rudolf Rentschler received more votes than Rentrop.

NEWSPAPER COMMENTS ON LATEST INITIATIVES IN ARMS PROPOSALS

Helsinki HELSINGIN SANOMAT in Finnish 2 Feb 82 p 2

[Editorial: "The Bull Must Be Seized by the Horns"]

[Text] If both of the leading great powers were to embrace seriously each other's recent proposals for the alleviation of tension in Europe, then the security yearned for by the populations and the countries of that continent would be within arm's reach.

In early January 1983 the Soviet Union offered the West a nonaggression pact in the name of the Warsaw Pact. The West should now make use of this offer, above all because this is the first time that the Warsaw Pact has indicated a willingness to agree to the long-demanded inspections and supervision within its own borders. If NATO truly wishes to alleviate tension and to improve security in Europe, it ought to enter into negotiations.

The Soviet news media immediately rejected the summit conference and the zero alternative on 1 February, which U. S. President Ronald Reagan offered to Soviet leader Yuri Andropov on 31 January. However, Andropov should agree to the conference and to the undersigning of the agreement for the elimination of medium-range land-based missile by both sides. If the Soviet Union truly wishes to alleviate tension and to eliminate the Euromissiles, it ought to enter negotiations boldly. Very little that is substantial is contained in the propagandistic pyrotechnics that go on between the East and the West. For instance, in early January the Warsaw Pact was aware, as was the Reagan administration two days later, that the other side would not accept an offer to negotiate. Both sides make propositions that are mutually unacceptable, the two sides could lessen the threat of nuclear war, which both allege to be their objective.

The United States continues to warn the Europeans in regard to their blue-eyed innocence in viewing the aims of the Soviet Union. The Soviet Union in turn urges the Europeans to become more independent. A common failing in the deportment of the great powers is that they offer their recommendations as if they were a form of diversion. They weaken their own reliability in the tailoring of their pronouncements.

Regrettably, the great powers are also about to abandon, mainly with propagandistic statements, the recent Swedish proposal for the establishing of a zone free of nuclear weapons in central Europe, at the boundary of the two Germanies. The Swedish proposal means, primarily, the withdrawal of tactical field nuclear weapons of the division class back to a distance sufficient to preclude immediate recourse to them and thus start a nuclear war in the event of an attack.

The United States has rejected the Swedish proposal. NATO and West Germany have stated that such a zone would increase the threat of attack by the Soviet Union into Western Europe. That argument has not been supported by adequate justification. No one has therefore bothered even to examine the proposal. That is a senseless attitude.

The Soviet Union, on the other hand, has joyously embraced the Swedish proposal, but has expanded it twofold in such a way that practically all of West Germany would be included in the reduction zone. As a first step, that is not possible. The Soviet Union has thus made the Swedish proposal impossible by means of an overenthusiastic approval.

Finland supports the Swedish proposal, which is quite proper. The matter of the zone will be discussed next week in Helsinki during Prime Minister Olof Palme's visit.

The discussions next week in Helsinki need not necessarily be considered a meeting of innocent European prime ministers. Palme's proposal is a normal item for the agenda of the Stockholm disarmament conference, and the CSCE [Conference on Security and Cooperation in Europe] countries will actually assemble in Stockholm, if productive results are forthcoming from the Madrid oversight conference. The proposal exists for the possibility that the great powers may overcome their fears and become emboldened to enter into negotiations.

5955

CSO: 3617/69

MARCHAIS ON ELECTIONS, MORE RADICAL POLICIES, PCF ROLE

Paris L'HUMANITE in French 12 Jan 83 p 5

[Report on 11 January television interview with Georges Marchais]

[Text] At one o'clock yesterday afternoon, Georges Marchais was the guest on the TFI program "Journal." When questioned about recent events in New Caledonia, Marchais emphasized that it was a matter of a "local incident," but that it nevertheless bore witness to the existence of real discontent, of demands that must be met. When questioned about Corsica and overseas departments, Marchais recalled that "Corsica is France." He condemned terrorism and hoped that the Corsican Regional Assembly would have means of action. He stated that there was no "movement aimed at separating from France" in the overseas departments. "There are special, legitimate claims. They must be examined in order to satisfy them. The French Government is making strides in that direction. It is the right path."

Marchais was then questioned on the March municipal elections. He emphasized the great importance of the elections, for two reasons: First of all, he referred to the "importance of leftist municipalities for a policy serving the people." This is especially true because the government and the majority have "given the municipalities new powers which the left must use in the interest of the people and that must not be allowed to fall into the hands of the right." He then recalled the "determination of the Giscard, Chiracs and Barres to use these elections to try to begin to win back the ground they have lost. They have never concealed the fact that for them, the municipal elections constituted a springboard for their return to power in the years ahead."

"Can the left win?" Yves Mourousi then asked. Marchais replied: "My opinion and that of our Central Committee is that if the left does everything that has to be done, we can conserve all the positions we won in 1977."

Marchais then recalled the two decisions made by the Central Committee. "The first is to complete the negotiations begun in departments and cities with our socialist friends in order to draw up wherever possible joint lists in order to face the right, which is in a coalition everywhere. We must naturally rely on the national agreement concluded with the Socialist Party and that our Central Committee considers to be a good agreement. The second decision is to

resolutely engage in a wide-ranging counteroffensive against the right, which uses a frantic demagoguery in order to try, not only to duck its responsibilities in the situation we inherited upon coming to power, but also to take credit for the positive balance sheet of the majority since 1981."

Marchais then referred to "the difficulty we are now facing which is manifested in the two wings of our voters." He cited the 4.5 million voters who cast their ballots for the communist candidate in the presidential election. "It is a considerable force," he noted, before continuing: "Some of those voters demonstrate a certain disillusionment. Why? Because those people had come out for a more radical policy in order to fight inflation and solve the problem of unemployment, as well as promote social justice. Some of them are not finding what they want in the current policy, which is what explains the abstentions in some partial elections and conciliation elections. The attitude of those voters is a legitimate concern for us. Our duty is to mobilize them, by appealing to their clear-sightedness, their lucidity. In my opinion, those men and women were the most far-sighted in 1981 by supporting the proposals that I made on behalf of my party and in which I continue to believe. But we are democrats and my solutions did not receive the support of the majority of the voters. Thus, to those voters who are disappointed and who now tend to remain on the sidelines, I would ask the following question: "You demonstrated foresight and lucidity. Can you now allow the right to obtain success in the municipal elections or are you going to commit yourselves along with us in the work undertaken?"

Marchais then referred to the report presented by Paul Laurent to the Central Committee when he drew up the positive balance sheet of work already done. He mentioned prospects opened up by nationalizations, the decentralization, the campaign to "produce French," action aimed at professional training and new rights granted to the workers. "All of this constitutes a positive balance sheet and that is what angers the right and employers, who fear that, confronted with the new policy we are implementing, the left is consolidating its positions enough to last."

In answer to a newsman wondering whether the PCF would remain at a distance from the government after the municipal elections, Marchais answered: "We have done all of that together. No one spoke of leaving the government at our Central Committee meeting. We are in the government and we shall remain there. We assume all our responsibilities, naturally within the framework of the policies desired by French men and women."

He then evoked efforts to be made to guarantee the purchasing power of low and medium wages, the difficulties of regions such as Nord-Pas-de-Calais and Lorraine, the fight against inflation, the unemployed who feel legitimate impatience and the need to create industries and jobs. The government's policy attacks these problems, he noted, mentioning the recent televised speeches by the president. He continued: "I do not say that everything is going well or that everything is settled. But we have begun to move forward. We can go further, but in order to do so, it is necessary for all leftist forces without exception be involved and take their place alongside us because things cannot happen by themselves through the work of the government. There must be resolute, consistent support for the new policy."

Marchais then came to the other "wing" of the communist voters, those who, in 1981, "did not vote for me because they believed that under the fire from the rightist campaign, the PCF had abandoned the policy of union, that it did not want to assume its responsibilities in the government. Those voters are now often more disillusioned than the others. To those voters, I would say: "Look how the PCF is acting in government, how it is assuming its responsibilities, and even if your disillusionment is now on a par with your illusions of the past, do not remain on the sidelines. In the municipal elections, participate in the battle with us. We must beat the right. We can beat it everywhere and keep the municipalities we won in 1977."

11,464

CSO: 3519/314

INTERNAL DISCORD IN PCF, PSF OVER ELECTION LISTS

Paris LE FIGARO in French 11 Jan 83 p 5

[Article by Edmond Bergheaud: "Communist Bitterness Against Socialists"]

[Text] The Central Committee of the Communist Party (145 members, plus the five members of the Central Finance Committee), meeting since yesterday, will conclude its work today, work completed behind closed doors, as is the Committee's custom. It was a special session, however, insofar as the federal secretaries were included: all those who, in their respective departments, are responsible for continuing party work and mobilization.

The agenda of the Central Committee meeting was of an exemplary simplicity: "The political situation and the campaign for the municipal elections."
Reporter: Paul Laurent.

But the tone of the work and its meaning were evident in Monday's L'HUMANITE. The chief of the political department of the communist daily, Jean Le Lagadec, first evoked the "front of the 1981 defeated," then continued: "Not a minute is to be lost. Any attitude maintaining division here or there in leftist ranks can only weaken the left. On 22 December, the agreement signed between the Socialist and Communist parties recommended unity without delay in all communes of France, except for a few limited, defined cases. But if, on the whole, the majority parties have moved forward in local negotiations, as demonstrated by the accords, there still remain too many places in which the dynamic has not yet gone into motion."

The conclusion of the L'HUMANITE editorial: "Anything hindering unity is therefore to be eliminated if we want to win the battle of the left in March 1983."

Marchais

On 6 January, Georges Marchais had already gone to the barriers, writing: "In too many communes, the indispensable application of the national agreement has not yet come to pass. There are incomprehensible obstacles at a time when the right is going on the attack. I repeat: 'incomprehensible'."

What is remarkable in both the Marchais and the Le Lagadec texts is that the socialists are never mentioned. And yet, to whom are these warnings addressed?

The problem, in fact, is a double one, for it concerns both the Communist Party as such and its traveling companion: the Socialist Party.

It was not accidental that Paul Laurent, former head of the Parisian federation of the PC, was chosen to present the report on the municipal elections to the Central Committee. A candidate in the 19th district, he strongly emphasized that never on the second ballot would he agree to have a common list with those that would be elected on the list which "dissident" Henri Fiszbin intends to form. Nevertheless, Fiszbin seems to enjoy the favor of the socialists.

Two Appetites

In Sevres, the socialists themselves have decided to give their support to the outgoing mayor, Roger Fajnzylverg, like Henri Fiszbin, also a member of "Rencontres Communistes" and therefore excluded from the PC. The latter will never accept dissent, much less iconoclasts.

Furthermore, the bitterness evident in plans for the municipal elections between socialists and communists also reveals a deep split, for while the former often condemn "the election appetites" of their allies, the latter do not fail to accuse the greediness of the former. To take the case of Saint-Etienne alone, negotiations have been suspended, with the outgoing communist mayor, Joseph Sanguedolce, rejecting the post of first deputy to the socialists, who reacted violently: The PC "rejects any true sharing of responsibilities and wants to impose a municipality headed by two communists" (the outgoing mayor and his first assistant, Paul Chomat).

But the national agreement -- that is, made at the level of the Parisian staffs -- has engendered grousing among the socialists, at least among those who are seasoned politicians and who are not always content with the attitude of their communist "comrades."

What is happening in Montlucon (Allier) is exemplary. The outgoing mayor, Pierre Goldberg, is communist. He has truly looted the city, which one could scarcely say is expanding. First deputy Pierre Chaubard is a socialist. What did Paris decide? To agree to have Pierre Goldberg head the leftist unity list. The local socialists refused and stated in a bulletin that "the 1983 municipal elections are for the people of Montlucon an opportunity to choose between two concepts of local life: that of the Communist Party, whose excesses and abuses we are fighting; and that of the Socialist Party, which will have the double goal of rebuilding democracy and building the future of Montlucon together." Consequently, even though disavowed by Paris, Pierre Chaubard will head his own list.

Montlucon is not the only case. The same situation is found in Laval and Angiers, among other places.

Through all the confusion, it is therefore a matter of a reclassification within the left. While the Communist Party withdraws into itself, hardening its tone, the Socialist Party is now divided between two factions: those who agree to accept the humiliating terms of the PC and the "rebels" who want to go back to the real roots of socialism. The conflict is only beginning. It is sure to be intensified after the municipal elections.

11,464

CSO: 3519/314

FORMER MINISTER APPEALS FOR FRIENDSHIP WITH TURKEY

Athens I VRADYNI in Greek 28 Jan 83 p 3

/Text/ In his article in a monthly political and economic review, former minister Emm. Kothris spoke of the Greek-Turkish relations and argued that "the only solution for stabilizing peace in the Middle East and safeguarding the national interest and the national independence of the two countries is their sincere cooperation and their alliance with the guarantee of the Atlantic Alliance."

Kothris underlines that the cooperation and friendship between Greece and Turkey is facing a dangerous crisis because of Turkey's expansionist tendencies against our country for political, economic and strategic reasons.

Kothris further recalls the views of Eleftherios Venizelos concerning the necessity to solidify the Greek-Turkish friendship. There are no reasons justifying the disturbance in the friendship and cooperation of the two countries. The times we live in demand prudence, self-control and, above all, sincerity. Neither Greece nor Turkey can afford the luxury of experiments. Just as Greece, Turkey too is required by history to live next to its neighbor and they can survive only within the context of the free world, working together sincerely.

A country's expansionist policy may be justified if it is designed to liberate enslaved brethren or to secure its national independence which may be threatened by the expansionist policy of a neighboring country. Neither situation exists in relation to Greece. No enslaved Turks live in the Greek state, nor is there evidence for expansionist tendencies in Greece's foreign policy.

7520

CSO: 3521/188

EARLY ELECTIONS ISSUE RAISES WAVE OF CONTROVERSY

Government Denies Intent

Athens TA NEA in Greek 28 Jan 83 p 1

/Text/ The government spokesman called "fables" the new stories about "an electoral surprise." The elections--the government spokesman added--will take place, as the government said, in November 1985, "in fact on the second Sunday of the month."

"Of course"--the spokesman added--"this rhetoric about elections means that our opponents are afraid of them because they know that the government has the support of the majority of the people. We know that but we are not going to hold elections prior to November 1985."

Responding to a question on the issue of the electoral law, the government spokesman repeated that the matter will be discussed at the beginning of 1985 and that there will be a 9 to 11-month interval for discussion; therefore, the talk about "surprises" is baseless.

Probability Discarded, Reasons Listed

Athens EPIKAIRA in Greek No 756, 27 Jan 83 pp 12-13

/Excerpts/ We believe that truth must be told openly in all directions. In this way those responsible--both government and opposition--will weigh their responsibility and hopefully will get more serious while there is still time. Tomorrow may be much too late.

Of course we don't care about the political acrobats and the nonsensical. They say: The president of the republic should dismiss the premier because he has confirmed that he has lost public support and he has to do this either by himself if he has come to this conclusion or on the recommendation of the opposition leader. But if he were to do so what would be the consequences? To form another cabinet which will come before the Chamber of Deputies. But the new cabinet will have to get a vote of confidence from the same people who govern today, the same that had been dismissed. How can this happen? Obviously those who think in this fashion are stupid.

But the way things stand today every initiative of the president of the republic would lead directly to elections. But Andreas Papandreou would win such elections, no question about it. Here is why.

a. Exactly as happened with his father, George Papandreou, Andreas, too, will appear as a victim. The difference will be that [in 1965] there was a king and the apostates. Now the electoral slogan will be "the rotten establishment," "the Americans, the capitalists, the businessmen, the "various enemies of the people" who did not let Andreas materialize the Change. The beautiful slogans, "the People," "Anti-Americanism," "Out of NATO," "Out with the Bases of Death," the false peace slogans; all of these will be in their hands.

b. Since the confrontation will be "no holds barred," the communists will help Papandreou even openly. Even if they don't like it they will find it necessary. If they find it preferable, either here or in Moscow, they will do it secretly--since the ballot has no color--as in the past the United Democratic Left [EDA] gave votes to his father as was confirmed by the late Partsalidis in the Chamber of Deputies.

c. The decay of Andreas Papandreou does not have the dimensions some people think it has--certainly not among the broad popular masses. Decay is not tantamount to collapse. The consequences of his contradictory and vacillatory economic policies have not reached the maximum point. The enterprises, the factories are shaking but they have not yet collapsed. There are unemployed but not the hordes of unemployed expected to result from the economic policies of the "professors" and the Marxists of the "nonexistent" socialism. The demagogic, multi-dimensional (third world) foreign policy has not been revealed in all its depth and impact. The kisses to Arafat and to the Soviet leaders have not yet turned to ice the people's soul. The decay is visible and strong (as is the case with those who wish they had had their arms cut off before they voted for PASOK) only among the marginal voters, the homeless of the democratic bourgeois parties.

d. Fourth and more important (why hide it since everybody knows it?), the opposition has a leader but his standing is in question and his time is limited. More important, it has no clearcut political identity. The former is due less to E. Averof's health and more to the unclear ideological identity of the New Democracy Party, the sins it carries with it (including its title) since the 7-year period, the wrong measures and openings of a "socialist" type which in the end opened the way to Andreas Papandreou to the extent that nothing of what he does is really novel.

Too late to talk about this? Now that PASOK is disintegrating, now that we are in danger? Unfortunately only the truth can save at this moment, however bitter the truth may be; not an ostrich-like self-deception. EPIKAIIRA dared in the past, 1 year before the election, to seek a planned "division" of the New Democracy into two bourgeois parties with clearcut ideological and political identity. They had the capable and dynamic cadres and leaders. If there had been courage, imagination and the simple proportional system PASOK would not be in power today.

We said it then and we repeat it now. Is it not more feasible, more orthodox and more democratic for two kindred parties to govern together, if need be, than to continue this mosaic of persons and ideologies which in the last analysis persuades no one. Do not those who fear or prevent ND's split (and the elimination of its title) understand that it is the only way for the voters and the politicians to find again their self-confidence? We do not believe that Karamanlis will step down from the presidency. No definite solution exists. We are here and we are ready to repeat the above.

In view of all these facts, those who know the president of the republic, his political sensibility, his political experience and his political realism should not doubt at all that the only thing he would not do now is to ask for early elections. Moreover, it is certain that he does not sleep quietly at night lest Papandreou ask him for such early elections. Of, could he suddenly lead him (Karamanlis) to an impasse?

Opposition Uses Undermining 'Election-Talk'

Athens RIZOSPASTIS in Greek 29 Jan 82 pp 1, 9

[Text] For the past month and almost daily the conservative press presents with huge "savage" headlines reports that the government is planning an electoral surprise. It accompanies those reports with improbable scenarios of smooth or abnormal developments, involving crises, apostasies, adventures or rightwing alliances.

The calculations--some evident, some not--are of course many. One should note, first of all, that the "election-talk" is a tried method of subversive opposition. It is also evident that the constant noise about early elections is designed--in the opinion of some people at least--to prevent such a possibility which for the time being is considered undesirable by the Right. For others this talk is used as a lever to speed up development inside the New Democracy or around it. But it is not only the possible purpose of the noise caused by the conservative press that is of more interest, nor whether and why certain government circles are thinking about elections. We think that most important is the fact that when the government denies these reports, it always takes care--uninvited--to add that today's bandit electoral law will remain unchanged until 1985.

These government circles claim that in this way they repel more effectively the election talk which hinders the government's work. They also argue that a revision of the electoral law today would strengthen the noise and paralyze the economic life. If those who present those views truly believe them, then they are very wrong.

First of all, [they are wrong] because the simple proportional electoral system is a preelectoral promise of the government. The premier had repeatedly committed himself that one of his first steps in the Chamber of Deputies would be to promote the simple proportional. No one could accuse the government of keeping its promise.

Yes--and this is the most important--the enactment of the simple proportional today, if it encouraged some people to attempt a further buildup of the electoral talk, would not have this even as a minor consequence. The abolition of this deceitful electoral system which clouds our political life today will have no negative consequences. It would free the political life from an element of falsehood. It would deprive the forces of reaction from a serious factor supporting their "revansist" designs. It would favor a climate of trust and solidarity among the democratic forces. It would rejuvenate the possibilities and the strength of active popular participation.

On the other hand, by prolonging the uncertainty on the electoral law, the government enables the forces of the Right to fish in muddy waters, to work out many scenarios for upsetting the course of the political developments, but also to speculate, attributing to the government intentions of surprise, blackmail or ballot fraud.

If it is clear that the government's insistence to keep undetermined the terms for conducting the next elections--whenever they may be held--instead of giving it a certain "advantage" in the political game, it is instead a barrier in its struggle to overturn the designs and the threats of the reactionaries in order to assure smooth democratic developments on the road to the real change.

Papandreou Seen Pushing Issue

Athens I VRADYNI in Greek 27 Jan 83 pp 1, 12

[Text] In the last few weeks, the indications are increasing that the government is promoting a plan designed to create conditions which will allow it to ask the president of the republic to dissolve the Chamber of Deputies to speed up the elections to the end of May on the beginning of June. This is a surprise political move on the part of Papandreou. This is the view expressed by well-informed political circles of the opposition. They base this view in part on the government's systematic effort and that of its friendly press to cultivate and maintain a climate of tension on the critical subject of our relations with the United States, especially while the negotiations on the bases still go on.

But the question of whether to speed up the elections or not has divided the government according to informed sources. This is because many believe that if the elections were held today PASOK would be destroyed because of its recent anti-popular economic and tax measures, the common distress in conjunction with the government's failure to solve important problems of the Greek people. This climate which is unfavorable for PASOK has resulted also from the preposterous foreign policy which is not only contrary to PASOK's campaign promises, but also increases the sense of uncertainty and insecurity.

Those who support that any idea for early elections should be abandoned, and who belong to the "inner circle" of Kastri [Andreas' residence] confidantes,

bring up the recent secret poll conducted throughout the country on behalf of the government. This poll--conducted 1 week after the devaluation of the drachma--showed PASOK way below the level of the municipal elections 9 months ago.

Specifically, the decline is much greater in the towns and cities where today it ranges between 22 and 26 percent. By contrast, the Movement is in a better condition since its strength ranges between 39 and 34 percent. In the major cities both the New Democracy and KKE(Ext.) appear to be strengthened with their strength ranging from 41 to 36 percent and 18 to 14 percent respectively. The results of this official poll in the provinces with regard to these two parties are not known.

In Favor of Early Elections

Many leading members of the government have an entirely different opinion and have recommended to the premier to hold a surprise election. The advocates of this idea offer the following reasons:

1. No one can be sure that the domestic economic situation will improve in the next 11 months or in 1½ years. Therefore the prospect that things will improve in the future should not be seen as a panacea.
2. A sudden election at this moment will find the New Democracy not only unprepared but virtually leaderless since the health of its President Averof will not allow him to wage an active campaign.
3. The early election will free the government from any obligation to change the electoral system of reinforced proportional. The present electoral system favors PASOK which could hope to receive the support of KKE(Ext) in certain localities and to absorb the voters of KKE(Int), Democratic Center Union, EDA, etc. It is evident that with a simple proportional system, PASOK cannot expect significant support from such voters.
4. Early elections, with the abolition of the individual preference vote, will allow A. Papandreou to exclude from local tickets all "undesirable" PASOK deputies who have caused problems in the past. The number of such deputies is increasing lately.

G. Rallis

The impression cultivated by the government and through its friendly newspapers that it is the target of conspiracies, intrigues of a visible and invisible center, is not unrelated to these intentions for an early election. Such reports are increasing lately--according to the same reliable circles--in order to intensify the overall climate to help possibly the development of the proper atmosphere so that the government will be able to ask for the immediate dissolution of the Chamber of Deputies and the call for a new election.

In the overall context of these reports they include the allegations that former premier and leader of the New Democracy Georgios Rallis has supposedly separated himself from the party line by his recent statement on the government's economic policy. The "interpretation" for this "separation" is that it was done with the objective of having G. Rallis and a large number of ND deputies participate in a coalition government with PASOK!!

7520

CSO: 3/21/192

PASOK DISSATISFIED, SEEN NOT ADHERING TO KKE

Athens I KATHERIMERINI in Greek 30-31 Jan 83 pp 4, 7

/Article by Khr. Karanikas: "The Traditional Left Is Now Dragged to Decay Along with PASOK"7

/Excerpts/ The governmental failure of PASOK drags the traditional Left into decay causing wider questions in the political area left of center. Traveling together for so many years--for the years PASOK was in the opposition and now that it is in power with its Third World theories--KKE and PASOK had identified ideologically in the view of wide public strata. Both parties are now paying, even to a different degree, the price of this identification, in proportion to their responsibility for the failure. The result is that most of those who leave PASOK and move to the Left adopt a wait and see attitude, a fact which probably for the first time raises so urgently the question of the institutional framework in which the political forces express themselves.

Realignments in the Left

The search for solutions in the area of the Left is becoming more intense now with the government failure on all levels, theoretical, economic and, of course, populist. Broader strata conclude that the traditional Left in competing with capitalism has nothing more to offer than promises of quantitative handouts. But even these promises will remain empty hopes suitable only for the opposition. The people understand, no matter how much this is misinterpreted by those who speak for the traditional Left, that the present crisis has nothing in common with the previous crises. For this reason they have started searching for new qualitative views of life, away from the materialistic slogans, the trade-unionist demands, the ideological simplifications. Getting away from PASOK is a development that cannot be interpreted by means of the familiar criteria, only by considering in depth the furthest consequences of the crisis. Together with Papandreou's populist ideology, the people question the traditional Left. To the extent the people reject "economism" they feel an allergy to the slogans of the traditional Left with the second, third and fourth roads. The somewhat different voice that KKE-Int. tries to utter is smothered in its own vacillations as it tries to dig into the Euro-communist soil, forgetting that our country has its history and political awareness and does not need borrowed voices to make itself heard.

The developments inside the traditional Left acquire new dimension for the first time since the war. Possibly because for the first time the views begin to take hold that the traditional Left played a complimentary role to that of the traditional Right in building economic development and the clarification of our political values. Even inside KKE the voices for a dialogue and liberalization are growing. Naturally all these take place slowly as history shows they do in all monolithic and autocratic structures such as the communist parties. The hardliners are always found in the middle-level cadres, the familiar "appatchik" and for this reason the conflict is inevitable. Those who favor any dialogue will necessarily conflict with them and will withdraw; there has been no other solution historically and it cannot happen otherwise in our country.

The upheaval inside KKE comes at a time when the traditional leftist groups have almost disappeared. Thus, with the exception of KKE-Int. which preserves its own orthodoxy which no one claims for its own, there is no one challenging KKE's communist orthodoxy. The old leftists now have contempt for the disputes over orthodoxy, which so greatly lubricated the ground of KKE in the acute antagonism of the post-dictatorial period. KKE by being left alone is deprived of the most fervent supporter of any religious phenomenon, the heretical opponent who sustains the orthodox zealot. KKE is losing him at the very time the economic crisis overcomes the ideological preparations.

The periphery of the traditional Left which is the essential left in our country has started its own search--Greek, without chauvinism. The search is not starting chiefly in Athens but in the provinces underlining in this way the differentiation from the Center which had a monopoly of the entire ideological scale throughout the postwar period. The initiatives of the independent leftists in the various provincial towns have their impact on the Center and even further to the Right. It is only natural that when the political presence in each town is not antagonistic but complementary and constructive from one side to the other, the interactions take the appearance of connecting vessels.

Thus the institutional framework for the expression of the political forces becomes the agent and the hothouse for such developments in the country. For this reason, after all, the pressures for introducing the simple proportional electoral system are increasing from every side of the political stage. The prevailing view is that our political geography will change in the following few or more months. Those who oppose the simple proportional system contribute to the distortion of this natural development hoping like the government to keep some "possessions," in spite of the changes that are taking place in the people. But the smoother and more normal the realignment of political formations, without extremist confrontations, as the political climate is actually developing in spite of the unprecedented intensity of the crisis, the stronger the foundations of democracy and the more the democracy ceases to be a mere rhetorical expression and is translated into reality; a reality which goes hand in hand with a different view about life and the values we inherited from the postwar period.

ND SITUATION, AVEROF SUCCESSION IN DOUBT

Averof Warns ND Deputies

Athens TA NEA in Greek 29 Jan 83 p 1

/Excerpt/ ND leader E. Averof threatened with expulsion yesterday the party's parliamentary deputies who cause problems with their "silly talk" about ideological differences inside the party. It is clear (following yesterday's warning to his aspiring successors to stop making personal statements) that Averof in coming back from Lausanne gave first priority to the restoration of party discipline.

Specifically, replying to a question by the radio-TV network--which in fact was not at all related to any ideological differences--he emphasized:

"...The mythology about ideological differences and so on is deliberate "silly talk." If anyone has ideological differences, the door is open to get out since he will be in a very small minority--but I don't see anyone ready to leave."

Responding further to a question related to the rumors that he will stay in the ND leadership for only a few months, he said: "I will refer to what was said by an important ND member the other day in Kavala. He said that the unity of the party is complete, that there is no question of leadership and that a question of leadership will be raised only when I want to do so. It so happens that I do not want it. I am not raising the issue. If conditions change, of course, and I resolve that it is proper to raise the issue, I am not one of those who will hesitate to have the courage to say that such an issue exists. I do not foresee such a thing. I do not want it at this point."

Uncertain Succession

Athens TO VIMA TIS KYRIAKIS in Greek 30 Jan 83 p 9

/Article by Panos Loukakos: "Agony Also for Help From Outside"/

/Text/ From one crisis to another, from one succession to another, the New Democracy Party no longer resembles the party established by K. Karamanlis in

1974. The line has changed. The personalities have changed. The government has become the opposition. And the confusion is more general and greater than ever before. For how long will the battle for succession in the New Democracy remain at this "civilized level?"

Last Saturday, as soon as Averof came back from Switzerland, he made a statement which clearly implied that he intended to withdraw from the leadership. But he faced certain strong pressures and the following day he was forced to change it to avoid at this moment a major upheaval in ND with unknown results.

The outcome would be unknown for these reasons:

- a. Both G. Rallis and E. Averof, when they assumed the leadership, were persons generally accepted even by their party rivals. Averof stayed in the party under Rallis and so does Rallis under Averof.
- b. By contrast, no one of the aspiring successors can be regarded as the "minimum common denominator" and therefore the choice of one will cause the withdrawal of the others. In other words, the election of a new ND leader (the third in less than 3 years) will be the spark for the breakup of the party.

To avoid this breakup, Averof was asked and agreed to stay on as ND leader, provided, of course, that his health would allow it. But, anyway, this is a temporary solution until a successor is found, because Averof does not seem to intend to be the one to lead ND to the next election. In a sense he stays on as a "regent" until the process is completed.

But what process, and why will a solution be found in a few months when none exists today? What is going to change in a few months and why is there going to be a smooth ending to the battle of the aspiring successors?

These questions remain unanswered since a common denominator is not even visible on the horizon. The New Democracy is not (and will not be in the immediate future) in a position to find itself a solution to its problems. The fact that they all ask at this moment "help from outside" is neither accidental or symptomatic.

7520
CSO: 3521/188

ND TERMS GOVERNMENT'S PRO-ARAB POLICY 'AMATEURISH'

Athens MESIMVRINI in Greek 20 Jan 83 p 2

/Text/ "Even the Palestinians have turned to Turkey which methodically moves into the Arab world, taking over the position until now occupied by Greece and developing into our chief competitor."

This dramatic observation on the loss of traditional strongholds our country's foreign policy has in the Arab world is contained in an interpellation submitted to the Chamber of Deputies by New Democracy Deputies K. Mitsotakis, A. Pavilidis, A. Andrianopoulos, I. Stathopoulos, Th. Sofoulis and K. Giatrakos.

"All postwar Greek governments"--they state in the interpellation--"charted and applied a pro-Arab policy without ever intruding in the particular intra-Arab affairs."

The ND governments in particular cultivated with special care and effectiveness the Greek-Arab relations and achieved a strong Greek presence in the Middle Eastern region, manifested by a) the undertaking of major technical projects by Greek companies; b) increase in exports to the Middle East; c) the ferryboat between Volos and Syria; d) securing the procurement of oil products; e) acceptance by the EEC of the Greek policy on the Middle East (Declaration of Venice, 1980).

All the above were achieved without questioning Israel's right to exist, and with our relations being excellent and growing all the time. By contrast, the PASOK government which with its familiar "narcissism" declared that "for the first time" Greece had come close to the Arabs, managed with its amateurish handling:

1. To get entangled in the Iran-Iraq dispute with vacillations to displease both countries.
2. To have cancelled the sale of the Pirkal weapons to Syria and the repairs of Iraqi aircraft by the Greek Air Industry /EAB/.
3. To have our ships blacklisted by Iraq.

4. To make problematic lately the operations of the Volos-Syria ferryboat which is now forced by the Syrians to unload at the Jordanian port of Aqaba.

The ND deputies further state that because of the government's inept handling an Arab bank was established in the Turk-occupied part of Cyprus, Libya's debts to Greek companies were not settled, Arab investments did not move ahead and Arab support of the Cypriot problem at the United Nations was not assured.

7520

CSO: 3521/188

ND'S AVEROF AFFIRMS OWN POWER, PARTY'S UNITY

Athens AKROPOLIS in Greek 8 Feb 83 pp 1, 7

/Excerpts/ Averof will make a deep cut in New Democracy so as to acquire the dynamism and all the effectiveness needed by a party when it is confronted by a battle.

Averof gave this order yesterday, just hours after the publication in AKROPOLIS of the exclusive interviews with three top ND officials, namely Messrs K. Mitsotakis, I. Boutos and K. Stefanopoulos.

Mr Averof spoke before the first pan-Athenean meeting of party women whom he thanked for their serious and substantial work for the party.

ND Alive

In his speech, Mr Averof, once having thanked the group for the welcome given him, referred to the party's activities. He said, "Many criticize us over what we are doing. What is New Democracy doing? Why is it not moving? Why is it not organized? Saying this are people who did not even lift a finger, who never once reached into their pockets to help the party treasury, who are weak. Saying this are people who have not even inquired into the matter. All this time, New Democracy has been alive. In the chamber, outside the chamber, where it is strong.

Popular Front

"Everywhere, therefore, work has been done. But that is not enough. It is not enough because our opponent is very well organized. He has available financial means that another political party in Greece would never dreamed of having.

"We must also have in mind that we have to confront not only PASOK but a whole coalition of parties. On certain topics they are allegedly truly split but on others they are very much united. Thus, I will not hesitate saying that on certain issues one party lays the groundwork for the other. We, therefore, have to fight a typically political united coalition, indeed at unusually difficult times.

The Interviews

"We are resolved to fight. The leadership is resolved to stand up straight. I read in the afternoon newspapers various political gossip about three interviews that had been given. I consider them logically expressed. It is natural for each individual to have his own opinions and ambitions. The gossip did not occur by chance. There was expediency in the thinking of our opponents. For that reason I want to assure you that party unity is absolute and there is no leadership problem. If I believed that there were a health problem that would prevent me from fully carrying out my duties after a short period of time I would have withdrawn."

I Will Decide

Subsequently, the New Democracy president referred to the new organizational drive of the party and said the following:

"I assure you that we will not disregard anything in order for the party's mechanism to yield the maximum. On certain issues I will personally take responsibility for solving problems with my own decisions that are not provided for by regulations. It is not possible for a party to serve form rather than substance at a time of battle. This does not mean that I intend to upset regulations. I do not intend to disturb democracy. I will make decisions on my own responsibility. I will immediately implement them and I will ask that they be approved by our party congress that I hope we will be in a position to convene before the end of 1983."

5671

CSO: 3521/209

KAPSIS SAID TO CONCENTRATE POWER IN FOREIGN MINISTRY

Athens I KATHIMERINI in Greek 12 Feb 83 p 1

/Excerpts/ The government is trying to confront critical issues through the suspension of activity of almost all the diplomatic services and through excessive concentration in the hands of only those persons who have the confidence of Deputy Minister I. Kapsis.

For the first time after the restoration of democracy, an ambassador, namely Mr Evst. Lagakos, resigned a few days ago although the Ministry of Foreign Affairs leadership has not yet answered this resignation.

Mr Lagakos, is still, as is the case of other ambassadors, at the disposal of the minister for many months yet.

The reason for his resignation has not been made known but it is being maintained that in the past, only during the period of the dictatorship had ambassadors resigned, namely Messrs Karagiannis, Karandreas and Kosmadopoulos.

Concentration at the Top

The main complaints of the diplomats, indeed those with experience and with substantial and indisputable contribution to the handling of difficult problems as government spokesmen have publicly acknowledged, is that there is no normal course in the functioning of the ministry.

Somewhere at the top everything is being concentrated in the hands of the deputy minister. The course in the handling of the most and most critical issues is in one direction only.

Various services submit proposals on many issues when asked but they are almost never informed about the final decision at the top.

This situation has brought about an almost complete suspension of activity of most diplomats who do not know or who can only guess at where the development of various issues is.

Of course, added to this situation is the impressive influx into the ministry and, indeed, into important positions, of men who do not have diplomatic experience. Thus, experienced diplomats have been swept aside and new people have assumed the handling of issues.

5671/CSO: 3521/209

U.S. WARNED, NATION NO LONGER 'DOCILE PARTNER'

Athens ELEVTHERTOTYPIA in Greek 26 Jan 83 p 1

/Text/ We wrote about it because of Zablocki's provocation. We will say it again today because the provocations and the intrigues are increasing. The provocations "made in the U.S." follow one another. But their organizers make a big mistake. They are confusing different times.

No, gentlemen of the Pentagon, the CIA, the State Department, the White House. Don't expect 1965 or 1967 to come back. In vain you try to create a climate with indirect threats about a coup /published/ in the semi-official Pentagon-associated magazine /Newsweek/.

No, gentlemen of the CIA. You will no longer find dishonest politicians or officers who have betrayed their oath. In defense of the national interest, you face at this moment a united national bloc. It is not only Andreas /Papandreou/ but also Averof who warn you. And when the political leadership rejects your proposals, it has the responsible technical opinion of the military leadership.

No, gentlemen. You will not reach your goal with the obliquely served "scenarios of political developments"; with the stories about a government that needs "crutches"; or about all-party governments; or about the breakup of the parties. You will not find willing partners. The "apostates" are "burned out candles." Their influence is limited even among their friends.

Yes. It's high time you grasped the truth. This country has a strong government with broad support in the exercise of national policy. It has institutions that function perfectly and persons who serve them democratically. There are no longer Glucksburgs and /Queen/ Fredericas, but a Greek president elected by the Greek legislature.

Yes. It's high time you sober up. Stop the threats, the blackmail, the provocations. Because you are no longer dealing with a banana republic, but with a united Greek people, a Greece of proud national policy. Since you are dealing with a lawfully governed state, it is high time that you begin an honest dialogue, because the anti-Americanism--you yourselves have caused--is so intense that it is very easy for the Greek government to blow the negotiations sky high.

7520

CSO: 3521/188

NAMES, COMPENSATION OF PM'S POLITICAL BUREAU MEMBERS

Athens I KATHIMERINI in Greek 13-14 Feb 83 p 1

/Text/ The newly-established prime minister's political bureau (special associates, advisers and persons with "special duties") is costing about 5 million drachmas a month to run. Specifically, 24 immediate associates of the prime minister have monthly gross salaries of over 130,000, while the highest amounts to 186,980 drachmas.

On the basis of a pay table that has come into I KATHIMERINI's possession, these salaries are as follows:

- Stergios Vallas, special associate, 186,980 drachmas.
- Georgios Kasimatis, director of the legal office and special adviser, 174,494 drachmas.
- I. Mandzouranis, ministerial council secretary, 175,494 drachmas.
- Ang. Kokala, director of the prime minister's special office, 172,494 drachmas.
- I. Papanikoalou, director of the economic office and special adviser, 172,494 drachmas.
- A. Livanis, general director, 172,494 drachmas.
- Khr. Makhairitsas, director of the diplomatic office and special adviser, 172,494 drachmas.
- M. Ziangkas, special secretary, 163,905 drachmas.
- I. Roumbatis, special adviser, 163,905 drachmas.
- E. Karatsis, special adviser, 163,905 drachmas.
- Khrysanthi Laiou, special adviser, 163,905 drachmas.
- A. Stratis, special adviser, 163,905 drachmas.
- P. Nearkhos, special adviser, 163,905 drachmas.
- G. Trepeklis, special adviser, 163,905 drachmas.
- D. Arvanitis, assigned to special duties, 150,808 drachmas.
- N. Gkargkanis, special associate, 146,638 drachmas.
- M. Sallas, special associate, 146,638 drachmas.
- Maria Dotsika, special associate, 146,638 drachmas.
- Kyveli Zografidou, special secretary, 146,638 drachmas.
- Maria Karageorgiou, special secretary, 146,638 drachmas.
- Nik. Andrikos, assigned to special duties, 146,122 drachmas.
- Nik. Andrikos, assigned to special duties, 146,122 drachmas.

- Nik. Sklias, assigned to special duties, 130,528 drachmas.
- Khar. Stamatopoulos, special associate, 129,370 drachmas.
- Pan. Petroulas, special associate, 129,370 drachmas.

Also employed are another 16 special associates and employees whose monthly salaries begin at 39,182 drachmas (evidently typists) and go up to 116,196 drachmas.

It is especially to be noted that the salaries of most of the prime minister's associates are computed by adding overtime, an amount that reaches 65,000 drachmas, while in other cases they are made up by a 30 percent extra pay, over and above overtime.

5671

CSO: 3521/209

TENSION IN PEOPLE'S ALLIANCE INCREASING WITH ELECTION FEVER

Reykjavik MORGUNBLADID in Icelandic 27 Jan 83 p 7

[Commentary by Staksteinar: "Hard Struggle"]

[Text] These days a very hard struggle is going on within the People's Alliance for the top position on the party list for Reykjavik. Taking part are women's and labor leader factions and the big struggle is between the party chairman and the leader of the party Althing delegation. The outcome will be known on Monday.

Party Chairman and Party Althing Delegation Leader

Next week there will be a People's Alliance primary election in Reykjavik. There is much tension in the party on account of the fact that only a selected group of party members will take part in the primary and a hard struggle is going on to see who will be selected. The struggle is assuming many forms but is most rancorous between Svavar Gestsson, chairman of the People's Alliance, and Olafur R. Grimsson, chairman of the party Althing delegation. Gestsson seems to have made up his mind a year or so ago that it was a good thing to clamp down on the rise of Grimsson in the party apparatus since if Grimsson were to gain more support in the party he could become dangerous to the chairman himself in the Reykjavik primary. Gestsson hardened in his resolve after the 22 May 1982 local elections. The article published by Olafur R. Grimsson in THJODVILJINN in the wake of the elections could not be understood in any other way than everything that Svavar Gestsson has done since 1 November 1980, when he became party chairman, leaving aside his ministry since the autumn of 1978, had created problems for the party.

Since Gestsson made the decision to clamp down on the rise of Grimsson, he has used his chairman's power to that end. It has been a source of amazement, both within and without the People's Alliance, how Grimsson has produced so little recently in the mass media. The reasons are probably that he doesn't want to stir Gestsson up too much. A logical continuation of Gestsson's decision against Grimsson is the party chairman's opposition to him in the primary. Some within the People's Alliance think it likely that it was at the suggestion of Gestsson that Grimsson's name appeared in the

paper last year for the People's Alliance primary in the Eastern Nordurland Electoral District. Thereby indication was given that Grimsson was in a bad way and that he no longer cared how he was reelected to the Althing, as long as he was reelected. As a result of this, his opponents in Reykjavik have subsequently noted that it is by and large accidental that Grimsson is in the People's Alliance and that he could seek a position in the party list for the Reykjanes Electoral District, where he lives, if he doesn't receive a secure seat in Reykjavik.

Many Factions

Many factions have formed within the People's Alliance in Reykjavik and outside Reykjavik, around Gestsson and Grimsson. Women want, to be sure, to hold onto their share of seats and those loyal to Gestsson want Gudrun Helgadóttir to receive position two on the list and Gudrun Hallgrímsdóttir position four. Subsequently, Margret S. Björnsdóttir, former chairman of the People's Alliance for Reykjavik, has become a candidate. She has been critical of Gestsson and he might take it as a serious attack on himself if she were to receive substantial support in the test vote. But a large vote for Björnsdóttir would, on the other hand, be agreeable to Grimsson both in terms of a scattering of the vote and in terms of damage done Gestsson.

There is also the faction of the labor movement arm. Within it Guðmundur J. Guðmundsson and Gretar Thorsteinsson are best known in the party. Supporters of the faction want Guðmundsson to get the second position and Thorsteinsson the fourth. In opposition to this group, supporters of Grim Grimsson in the "intellectuals' division" have raised a raucous recently and claimed that Guðmundur J. Guðmundsson has nothing more to offer, as is clear from past actions and his continual vituperations of banal demagogery. Thorsteinsson can wait, in their view, and should not be assigned a safe seat without further ado--the labor movement arm, they go on, has nothing to contribute beyond that which the political leaders have been able to achieve, and labor movement leaders would be better off tending to their own unions than seeking after direct political influence. The professional movement, they say, should trust to the political foresight of Grimsson. Thereby it would be best served.

Spoils to the Cronies

As is clear from the discussion above, the women's and labor movement factions are aiming at the second and fourth positions. They dare not assail Gestsson, such arrogance is not allowed in a party of Communist provenance. That would be equivalent to an attack on the leader of a political extremism in no way conducive to a democratic form of government. Both factions desire to pander to the old hard-line group which stands guard about Gestsson, true to the memory of the Icelandic Communist and Socialist Parties. Even if women and labor leaders talk about the second and fourth position, this does not mean that Ólafur R. Grimsson will get the third seat, but rather that either a woman or a labor leader will get it, depending upon who is stronger and gets the other two seats.

In the last Althing elections, Gestsson was in position 1, Gudmundsson in position 2, Grimsson in position 3 and Gudrun Helgadóttir in position 4 on the party list for Reykjavik and they are the four People's Alliance Althing delegates for the capital. Since the local elections, one or perhaps two of these seats are in danger and those outside the party can better understand the over concern of the candidates for the four positions at being last on the list.

Bearing this in mind, it is easier to realize the fact that Grimsson is making his bid against Gestsson and is aiming directly at the first position. Grimsson is now finding out that he has never been in the good graces of the old hard-line group and past experience has shown that it is better to fall gloriously in an attack on the chairman himself than ride the coattails of women or the labor movement.

9857

CSO: 3626/23

SOARES JERUSALEM STATEMENT ON CONTINUED NATO PRESENCE

Reservation About Middle East

Lisbon DIARIO DE NOTICIAS in Portuguese 3 Feb 83 p 3

/Excerpts/ Mario Soares said in Jerusalem yesterday that the PS /Socialist Party/ will win in the forthcoming Portuguese elections and that the country will maintain its presence in NATO and that the North Americans will continue in Lajes, Azores.

The Portuguese socialist leader came to Israel heading a delegation of leaders of the Socialist International to "study and listen to all parties," in the Israeli-Arab conflict.

The former Portuguese prime minister explained that, if socialist returns to power in Portugal, it will not allow--in case of war--that the Lajes Base would serve as an air bridge to supplies to the Middle East.

He also said that "there is no real and justified cause" for Portugal not to have an embassy in Israel, a country diplomatically represented in Lisbon on the initiative of one of the socialist governments.

Soares had scheduled meetings with Prime Minister Menachem Begin and with the ministers of foreign affairs Yitzak Shamir and of defense, Ariel Sharon.

The members of the delegation are part of the committee created by the Socialist International when the war in Lebanon intensified and they will present their conclusions at the forthcoming congress to be held in Sidney, Australia in April.

Soares, who on Tuesday met with Shimon Peres, also a member of the Socialist International, said that the Israeli social democrats "have the correct position when they state that negotiations should be held without prior conditions imposed by anyone."

If the Begin administration insists that discussions concerning autonomy for the Palestinians must be held on the basis of Camp David accords (1978), it would be a precondition," said Mario Soares.

PS Denies Statement

Lisbon DIARIO DE NOTICIAS in Portuguese 4 Feb 83 p 3

/Text/ The Socialist Party has denied reports disseminated by news agencies according to which Mario Soares said in Jerusalem that the PS will win the elections and that once in government Portugal will maintain its presence in NATO and that the North Americans will continue in Lajes, Azores, but that the government will not allow the base to serve to supply air lifts destined to the Middle East.

"The PS secretary general," states the press office of the party, "is on a mission for the Socialist International and has not made any statements which can be interpreted in the manner as was disseminated by the mass media."

The statement adds that "the Socialist Party has followed the renegotiation of the above mentioned accord, which will be continued and concluded by the new executive resulting from the elections, and understands that the same should be simultaneously expected as to the defense of national interests and options of our foreign policy, that is regarding the responsibilities of Portugal within the framework of NATO and bilateral relations with the United States.

11634

CSO: 3542/29

PS ACCUSED OF 'CONCILIATORY' ATTITUDE TOWARD RIGHT

Lisbon AVANTE in Portuguese 27 Jan 83 p 2

/Editorial: "Great Democratic Victory"/

/Excerpts/ The Portuguese people have new reasons for confidence in the solidity and efficiency of democratic institutions and in their own strength.

The decision by President Ramalho Eanes to dissolve the Assembly of the Republic and call for early legislative elections came in reply to the deep feelings of the masses and the express desires of the immense majority of Portuguese.

The only measure in line with the seriousness of the national situation and with the solution of the crisis, is the beginning of the end of the process of governmental and political breakdown provoked by the reactionary alliance in power.

Every day, every hour that the "AD" /Democratic Alliance/ continues in power, means more deterioration in the situation of the country, new attacks against democracy and legality, new suffering for the Portuguese people.

To clean up urgently the polluting power of the "AD" is a necessary basic operation to clean up the life of the country.

The end of political monopoly of the Right and the very breakdown of the ruling alliance made it possible to reveal the deeply reactionary nature of the "AD," its total inability to manage the business of state and reply to the serious problems of the country and the people. It also showed to everyone the degree of its internal corruption.

The present spectacle of internal destruction of the "AD" is hilarious and enlightening.

Mutual accusations proliferate. Balsemao is attacked for having abandoned the command post without listening to the crew, complaining of "betrayals" in his party; Freitas do Amaral disguises the defeat of his plans of politicizing the armed forces by withdrawing "piously" to his pulpit.

The expected and almost certain break-up of the "AD" is the logical consequence of internal, personal and group contradictions, but especially of the basic contradiction of the "AD" project with the interests of the people and the country, with the Portugal of April.

This is the destiny which all those who in practice or intention, even under another appearance made their social and political slogans, that led the "AD" to its grave.

The decision of the president of the republic to dissolve the AR /Assembly of the Republic/ and to hold early elections soon places on the agenda the need for political clarification of the country, which implies the definition of relations of party forces by means of elections and of the political base for a democratic alternative which would wrest Portugal from the mire in which the "AD" plunged it.

The reinforcement and expansion of the APU /United People's Alliance/ electoral position which emerged as a more cohesive, dynamic and important force during these 3 years and came to the electorate of December with a higher balance of achievements, is the necessary condition for new democratic victories.

The PCP /Portuguese Communist Party/, the largest party in the APU, came out strengthened and increasingly more prestigious from the 12 December battle.

The PCP did not present nor does it present itself as the "sole alternative" to the "AD," but it is not possible to talk about a true democratic alternative without the participation in it of the PCP--the force most linked to the workers, without whose participation any political project will be condemned to failure--without dynamism, work and patriotism of the communists."

The date of the elections has not been announced as yet, but the seriousness of the national situation does not allow postponement of important decisions and the situation makes a necessary political clarification urgent.

This clarification is so much more indispensable when it is certain that there are indications on the part of the PS /Socialist Party/ of tendencies that do not favor the strengthening of the democratic movement nor the utilization of the exceptional prospects being opened to Portuguese democracy.

The old sins of conciliation with the Right by the PS continue appearing on various fields where the interests of democracy and reaction confront each other.

The pressures for the so-called "central bloc" openly emerge from PS leading circles. Mario Soares himself expressed "satisfaction" at the suggestions of Cabecinha, the PSD /Social Democratic Party/ leader of the UGT /General Labor Union/ for "an alliance of forces that gave origin to the UGT," and Jaime Gama, of the rightwing of the PS and who speaks as the designated secretary general, defends the PS/PSD alliance "with roots in the center and center-left and a political combination hypothetically more viable and still not tried."

Surprisingly, Jorge Sampaio, former MES /Movement of Socialist Left/ and former IS /Socialist International/, now appears as an ideologue of an alliance with the outlines defined by Gama.

It is evident that certain leading circles of the PS, who deleted "uncomfortable" expressions from their program, are preparing to embark on a new alliance adventure with the Right and to extend a hand to the drowning.

The conciliations with the Right, and with the CDS /Social Democratic Center Party/ by the PS leaders are causing indignation of many socialists who defend for their party other alliance policy in favor of strengthening of democracy and 25 April, which presupposes a dialogue and understanding with the communists.

The 12 December elections were full of examples of unity between communists and socialists with other democrats within the APU.

The almost generalized alliances in independent organizations and with the majority of the APU between the PS and the parties of the "AD" against the PCP and the APU are a proven fact.

Some of these alliances concluded between the PS and the parties of the "AD" look like an antidemocratic scandal.

The PS maneuvers toward "Social partners" show clearly their anticommunist intentions.

The PS leaders still have time to reflect. The unity of the working class is a fact acquired in the great struggles being conducted throughout the country.

Those who are preparing to gather the sails with those who have just sank the "AD" ship with an antipopular and antidemocratic project, are visibly taking the wrong road.

11634

CSO: 3542/29

AP-PDP, CATALAN AMENDMENTS TO LOCAL ELECTION BILL DEFEATED

Madrid ABC in Spanish 28 Jan 83 p 23

[Article by Jose Maria Fernandez-Rua]

[Text] Madrid--Yesterday, in the plenum of Congress, the Socialist majority thwarted the views of the opposition (AP-PDP coalition) and of the parliamentary groups of the Catalanian Minority and the UCD in the full debate of the proposed basic law amending certain articles in the Local Elections Law. For the first time, Alfonso Guerra appeared before the House as vice president of the government, closing the debate to then summarize, in a moderate but caustic tone, the objective of this bill in these words: "to prevent there being captive votes so that they may become the free votes of citizens." In the voting, the amendments supported by the Popular Group and the Catalanian Minority and calling for the text to be returned to the government were rejected (109 votes in favor, 185 against and 13 abstentions). Also defeated (17 in favor, 279 against and 10 abstentions) was the UCD alternative, which coincides with that presented in the previous legislature.

The bill was presented by Tomas de la Quadra Salcedo, minister for territorial administration. "This text," he said initially, "is in answer to a commitment to 10 million voters in regard to the provincial legislatures." With respect to the content of the bill, de la Quadra emphasized that the change in the system for electing provincial delegates is to correct "the defective configuration presented by the current electoral system, in which delegates are elected as a function of the number of councilors of each lawful party or electoral coalition and not in accordance with the number of votes. It applies the d'Hont rule not to the number of votes but to the number of councilors, so that the distortion is evident and it is difficult to justify from the democratic point of view." According to the minister, the bill replaces this criterion with that of the number of votes obtained by each lawful party and coalition.

De la Quadra referred to one aspect--in which Alfonso Guerra later agreed--that is not contemplated in the text and that is the omission of the regulation of the mayoral election system. The election of the mayor in accordance with the list receiving the most votes does not figure in the bill. The minister's justification was that "it is more a matter of opportunity and convenience than of a democratic exigency."

Representing Popular Group, Arturo Garcia-Tizon y Lopez called the government's bill partial, partisan and inopportune "at the same time that it distorts the delegations." Also in defense of another amendment, Miguel Roca Junyent (Catalonian Minority) defined the bill as having unconstitutional aspects. According to Miguel Roca, the real motive for this change in the electoral law is that the PSOE is not interested in it. He insisted on its unconstitutionality "because, according to the constitution, the province is the group of municipalities and under this system the delegations are turned into groups of lawful parties." For his part, Gabriel Cisenors Laborda (UCD) indicated that the Socialist bill represents an implacable and pitiless power concept and it joins the "hasty and insufficient reforms being carried out by the Socialist government."

Several times, Guerra, the vice president, insisted that the government wanted to make it clear that the reform of the Local Elections Law does not conform to the results of last 28 October. "If we retain the current law for electing provincial delegates, the party benefiting most is ours, the party forming the government." Alfonso Guerra supported this affirmation with a series of facts. "With the law now in force," he said in this regard, "the PSOE would have a majority in 43 provincial delegations, whereas with the bill that we are presenting, the party in power can obtain a majority in 34 delegations."

Alfonso Guerra explained that the existing law is not very representative and therefore "it is not hectares or cows that vote but people. The objective of this bill is to assure that no captive votes remain in Spain." He ended his comments with a justification of the failure to include the mayoral election, saying, "since the current law makes this possible, unless a party obtains the absolute majority."

At the end of the session, the Public Administration Regime Commission met to elect the office that will write the report on this basic bill.

The morning session ended with the confirmation of the actual decree-law through which the application of the Special Unemployment Protection Fund is postponed, with favorable votes from the Popular Parliamentary Group, the Catalanian Minority and the PSOE, Joaquin Almunia, minister of labor and social security, presented the valid decree, which received 247 votes in favor, 35 against and 4 abstentions.

9746

CSO: 3548/137

COMMENTATORS REACT TO GONZALEZ BROADCAST

Vacillation Cited

Madrid ABC in Spanish 23 Jan 83 p 15

[Commentary by Jaime Campmany]

[Text] I suspect that this time Felipe Gonzalez is going to meet with sharper criticism among the fauna of politicians than among the flora of journalists. Even I liked Gonzalez' tone when he appeared in the flesh on television. It is true that he was superficial, unspecific, imprecise, vague, moralistic, naive, temporizing, and candid. But those limitations or oversights in his talk are things that nearly always are welcomed in politicians and in political dialogue or oratory, which so often are flawed by opposite characteristics. As a citizen listening in his living room, I have to thank Felipe Gonzalez for the simplicity of his speech and the simplicity and honesty with which, from the outset, he sought to express himself. That is a good approach for a politician who has to deliver bad news and who has to get around some discrepancies between what has been said and what has been done.

Felipe Gonzalez' political adversaries would have liked to hear more solid assertions, more concrete statements, and more categorical, emphatic warnings. It is hard to strike out at good wishes and good intentions, and it is even harder to step into the arena to do battle against a preacher. And Felipe Gonzalez did not challenge us. He delivered a sermon. At the last moment, or not so late, he decided not to base his talk on the seriousness of the "inherited situation," and he referred to that almost less than he needed to. He even took the opportunity to praise the former minister of the interior, Juan Jose Roson, no doubt because Roson deserves it and also perhaps because Gonzalez is convinced that Jose Barrionuevo is not going to be able to take one step beyond the limit reached by his predecessor in that sensitive matter, sensitive and vast, of terrorism.

It is quite possible that what the prime minister said he should have said in Parliament, which is intended for that. It is also quite possible that, once he set out to say it directly to reporters, it would have been more appropriate to assemble a mixed group of them, having different views and varied political garb, rather than only one. It must be recognized, though, that Gonzalez found a tone which was different from that used in parliamentary speeches and also that Ramon Colom handled the difficult situation with a fair amount of dignity. He was not, of course, at all aggressive or rude, but covered the likely obsequiousness with decorum.

My colleague in these pages, Pilar Urbano, has said that Gonzalez wanted to convince rather than conquer. Obviously, the conquering has been done, and what lies ahead now is the difficult task of convincing us. In any case, it is not hard to guess that the prime minister has probably not convinced those he has overcome, nor has he probably overcome the suspicion of those who were convinced beforehand. His naturalness was a little affected, without becoming a--how might we say it?-- [dorsia] naturalness. It was probably enough, however, to establish contact with the people, who mistrust the over-familiar person and reject the pedant. He foretold sorrow and distress for 1983, but he showed that there was hope for the years that follow, thus saving us from despair and discouragement, and he did not deceive us with senseless optimism.

Gonzalez did well more because of his tone than his content, and more with intentions than with decisions reached. That's the truth. He said two important things, though, and to hear them I would gladly have spent several hours in front of my television set. One was that Spain's unity is not negotiable, nor is he going to negotiate over what is not in the constitution or the autonomy statutes. To some, that assertion may seem as obvious as the first word of the Lord's Prayer, but we have reached a point of such confusion regarding the issue that any clarity is welcomed. It even touches our hearts. Now we have to wait to see whether that was also heard by the president of the Chamber of Deputies. And for Gregorio Peces-Barba to drop the temptation to play with the fire of ideas about independence. Another thing: We must hope that the government will consider criticism and freedom of expression something that isn't tolerable but rather necessary. Fair and beneficial, as the "doceanistas" in Cadiz would say. And now we must also hope that it has been heard by the "bertoldos", "bertoldinos" and "cacasenos" hanging around the government and the labyrinths of the Socialist Party. In such important, delicate matters, love must be demonstrated with deeds rather than with words, and words without deeds seem more like hypocrisy than sincerity. After Felipe Gonzalez' absolutely explicit words, his people must be asked to adhere to them, for they have sinned against the two principles in thought, word, and deed. In looking at some of the new socialist government's measures, it seems as if in some matters the party proposes, Gonzalez disposes, and then along comes Don Alfonso to break it up.

Fifty days, 7 weeks, as the prime minister said to make the brevity of the period more graphic, are very few days in which to even begin judging a government. It is also true, though, that we already have enough information to become upset and to remain suspicious. Our foreign policy continues to be nonsense, and France, which now is in a hurry to admit us into Europe, is sticking to its guns, pampering terrorists and destroying lettuce. In Central America we are little less than Marxists by obedience. In Europe we are Europeans economically and half Atlanticists in regard to the problem of defense. In Africa, no one knows. And with the United States we don't know whether to embrace them or to stick pins in the Reagan doll.

Concerning our economy, we are like Penelope, beginning to weave today what we finished undoing yesterday. As for carrying out the socialist program or not, with all its consequences, it is suspended for today but announced for tomorrow.

It is very possible that a goodly part of the superficialities in Gonzalez' speech were motivated by the prudence springing from being unable to announce forthcoming measures and also being unable to clearly renounce them. Another goodly part may have stemmed from the impassioned debate that has centered on our socialism for years, a socialism that is entirely abandoning Marxist doctrine while not renouncing Social Democracy.

We can draw a positive conclusion. Spain needs socialism to do as well as possible right now. And Felipe Gonzalez is a politician who deserves to survive this difficult job.

Vagueness, Contradictions Seen

Madrid ABC in Spanish 23 Jan 83 p 16

[Unsigned commentary]

[Text] In our opinion, the speech delivered the day before yesterday by the prime minister contained both clearly wise choices and worrisome errors. The first of those wise choices should be seen, we think, in the clarity of Felipe Gonzalez' answer to a question about terrorism: We will be able to finally defeat the terrorists if there is a climate of citizen solidarity; we can advance still farther after the recent concrete progress; nothing outside the constitution is negotiable; in no case will Spain's unity be subject to negotiation. This is, in our opinion, the language properly used in a political phase so often characterized by uncertainty and ambiguity.

The second wise choice in the prime minister's message should be seen in the distinction made between Mr Gonzalez' personal beliefs--he calls himself a pacifist--and the conviction of the head of government when reiterating his determination not to leave Spain defenseless in the face of a threat from abroad. Here, again, the language of the government's interests takes precedence over the always debatable personal ideas, individual beliefs, or minor politics.

The third wise choice by the prime minister in yesterday's speech is found, we think, in the repeated demand for solidarity among all citizens, which is essential to solution of the crisis. On this point, we believe, the prime minister's personal attitude carries as much weight as his own word. When Felipe Gonzalez speaks not of concrete government affairs but of human problems, of general views, his message assumes a tone of conviction, of tested veracity. This is what comforts and worries us at the same time, for Mr Gonzalez exercises no moral authority; he is not at the head of a humanitarian or religious movement. Rather, he has been placed by votes at the head of a government that is duty-bound to make decisions. It is not a question of indoctrinating the taxpayers but of carrying out a specific program within a specific period of time with certain resources. And this is the critical point on which, after recognition of the foregoing, we must fulfill our duty of analysis and make clear our concern.

The constant turning to ethics is very risky, and this is a proclivity that perhaps the prime minister will reconsider. A party that stands on the morality of its program is implicitly but automatically casting discredit on its rivals. It is a practice loaded with both ingenuousness and danger at the same time.

We have never heard Mr Mitterrand, Chancellor Schmidt or Mrs Thatcher base a single one of their decisions on morality. Statesmen always speak of necessities and solutions, but they do not appeal to ethics because they know that would be entering the realm of the ambiguous. Only one politician of our times, President Carter, insisted, in the tones of a Methodist pastor, on assuring Americans and the world that one or another of his decisions sprang from a moral imperative. That ongoing confusion of ethics--which refers to the world of what ought to be--with politics, which operates on the basis of what is and on what actually can be done, alarmed the voters. President Carter was not defeated, but rather he was literally swept away by an electorate that did not pay taxes so that the president could read them verses from the Bible.

This confusion of preferences, values, and deeds leads to problems of focus, which are disquieting when the highest level of a nation's government is involved. Let's take an example. The prime minister has stated in front of television cameras that there is a situation of serious irregularity in government accounting. "While working," he said, "we have found the debt inherited by the government." He added, "There is nearly 300 million pesetas that never passed through government budgets or the accounting system from the 1967-68 fiscal year to 1977; and the auditing department hasn't examined them either." This statement seems very serious because, if true, it would place the Spanish Government in a position of public discredit not only domestically but also before the world and international financial institutions. If the prime minister is referring to the advance payments accumulated by different ministerial departments, he should specify under what conditions those items appear in government accounts; but he cannot deal with an issue of that scope with such self-assurance. In general terms, it can be said that this huge figure is composed of sums advanced in accordance with the law and legally spent, and recorded with the auditing department. It is one thing to say that the method of bringing future budgets into line remains to be determined, and another to say that this astronomical sum has been spent "without passing through government accounting," as the prime minister did, for then we have before us enormous fraud.

Thus, in our opinion, there is in this message, as in every one of the prime minister's activities, a still confused mixture of intentions and data, of vague aspirations and inaccuracies unusual in an industrial democracy.

It is good to affirm Spain's unity, to combat terrorist activity, to prevent economic collapse, and to reiterate the need for the defense of Spain; but if he does not choose a detailed plan for handling terrorism, some clear options concerning the economic crisis, or a military alliance for our defense, we remain where we were. Especially when the government harbors two conflicting lines, two policies, two ideologies, and two readings of any single governmental action, still undefined.

9085
CSO: 3548/140

AP'S FRAGA CRITICAL OF GONZALEZ PORTRAIT OF BRIGHT FUTURE

Madrid ABC in Spanish 23 Jan 83 p 29

[Text] Madrid--Last night, Popular Alliance [AP] president Manuel Fraga Iribarne appeared on television screens to give his opinion on the appearance of the president of the government Friday night. "Lamentably, there are no reasons for illusion, there are no reasons for hope and we believe that there will be no change," declared the head of the opposition.

In the first place, Fraga stated that parliament is the place where the declaration should have been made, "as the PSOE [Spanish Socialist Workers Party] always said when it was in the opposition." Otherwise, what should have taken place, and what the Alliance leader asked for, was a televised debate between the president of the government and the leader of the opposition.

He summarized the basic contents of Felipe Gonzalez' message, in which in the serious worldwide economic crisis there are no solutions, neither conservative nor progressive, and those solutions are going to be even more difficult to find in Spain because of the poor performance of the previous governments. These statements "are enormously disturbing," according to the conservative leader, for whom the government's obligation is to confront the problems as they are.

Fraga's interpretation of Gonzalez' declarations is that 1983 will be a bad year and that later "one would see." He did not hear anything about "change." Also, he rejects the idea that there are neither conservative nor progressive solutions to the crisis, as said by the head of the executive branch. On the contrary, the Alliance leader believes that there are solutions, as shown by "the countries, such as Germany and Japan, that have worked hard and with discipline" as opposed to those that have forced public spending, "throwing away, finally, the money of Spaniards" where it has worked badly.

Fraga makes the somber forecast that the number of unemployed will grow by at least 250,000 during 1983. He criticizes the fact that while there is talk of protecting the enterprises, taxes and state expenditures are rising,

and he specifically rejects the idea that the reform of the agriculture tax is the fault of previous agricultural ministers, since that is the responsibility of the Finance Ministry, as has already been explained by Jose Luis Alvarez. After attacking the decree-law of last 31 December in economic terms, he finished by saying that "only the labor, only the savings, only that solidarity now being talked about with good reason, instead of talking about the class struggle as was done up until a few days ago, can save us."

9746

CSO: 3548/137

SWEDISH NAVY STUDYING PURCHASING NORWEGIAN ANTI-SUB EQUIPMENT

Oslo AFTENPOSTEN in Norwegian 7 Feb 83 p 44

[Article by Pål Stensaas]

[Text] "My problem is that I have 16 submarines in my waters and only 12 are my own," a highly placed Swedish military man is supposed to have told the management of Simrad Subsea. The Norwegian company was presenting hydroacoustic equipment at a seminar in Göteborg. The Swedish navy is very much interested in equipment that the Simrad company produces that can make antisubmarine work in the Swedish skerries effective.

Simrad Subsea has been quoted on the stock exchange since the first of the year. The price per share has risen from 155 to 295 kroner in 1 month. The other day the company gave an orientation on the business for representatives of the Oslo stock exchange, the Industry Fund, the fund departments of the banks, brokerage firms, share investment funds, and independent investors.

The chairman of the board of Simrad Subsea A/S, managing director Harald Ellefsen of Simrad A/S, explains to AFTENPOSTEN that work is being done on plans for a stock issue of 3.5 million kroner and an increase in the share capital from 7 million to 12 million kroner. The matter will be discussed at the stockholders' meeting in May.

Today Simrad A/S has 20.4 percent of the stock, Erik Mustad, who has a controlling interest in Simrad A/S, has 9 percent of the share capital of Simrad Subsea, the management and employees have 20 percent, while 50 percent of the stock is sold on the stock exchange. Three hundred stockholders have less than 1,000 shares. Today the Horten firm has about 630 stockholders.

Simrad Subsea's main product is underwater navigation equipment based on hydroacoustics. The company has a good 90 percent of the market in Norway, chiefly in connection with offshore industry, but the market potential is high internationally. There are only four or five competitors of any importance in that field. The biggest competitor is Honeywell. Simrad Subsea had sales of 35.1 million kroner last year, and the net yield was 5.4 million kroner. The firm has 76 employees, of whom 43 are engineers. Harald Ellefsen says that a 1983

budget of 50 million kroner is planned, with earnings of 7 million kroner.

Kåre Hansen, administrative director of Simrad Subsea, points out that to keep pace with developments the company must invest 22 million kroner this year in research and development. Ten million kroner will be internally financed, while 12 million kroner will be financed with contributions from oil companies and research institutions.

8815

CSO: 3639/65

BRIEFS

IRELAND ORDERS DAUPHIN HELICOPTERS--Ireland has ordered five Dauphin-2 helicopters from the Aerospatiale aircraft manufacturing company. Two SA-365-F Dauphin-2's equipped with a fast mooring system are to be placed on naval craft (Avisos) and more specifically assigned to the surveillance of the 200-nautical-mile economic zone (fishing zone) and to search and rescue missions. The three other helicopters, which are intended to replace the Alouettes III's, will operate from land bases to carry out search and rescue missions, too. These helicopters can be used for hospital evacuation missions or the transportation of personnel. So far, 32 SA-365 Dauphin-2 helicopters have been ordered by three countries and 415 helicopters of the other versions of the Dauphin-2 have been ordered by 52 clients in 26 different countries. [Text] [Paris LES ECHOS in French 24 Jan 83 p 18]
2662

CSO: 3519/292

SDP'S PEDERSEN QUILTS DEFENSE PANEL OVER INF, FUND CUTS

Copenhagen BERLINGSKE TIDENDE 21 Jan 83 p 7

[Text] The Social Democratic parliament member Robert Pedersen has decided to leave the Parliament's defense committee and the so-called 11-man committee.

The 11-man committee consists of the Social Democratic, Conservative, Liberal, Center Democratic, and the Christian People's parties, which in August 1981 agreed to the current defense agreement. And with his departure Robert Pedersen cut himself off from information and influence in Danish defense policy.

The decision to remove himself was justified by Robert Pedersen because he has in recent days reached the conclusion that he can best serve the party and the defense issue by leaving the two committees.

It was Robert Pedersen who last week in an article in AKTUEL sharply criticized his party, which he felt had changed its defense policy position after joining the opposition. The 61 year-old Social Democrat opposed his party's demands for cuts in the defense budget and simultaneously questioned the party's role in the missile question.

In the article Robert Pedersen also accused Anker Jorgensen of having used heavy handed methods to force the party group to change its position on defense and security policy.

Robert Pedersen denied, however, today that he was forced to leave the two committees.

9906

CSO: 3613/55

PAPER SUPPORTS GENERAL: MILITARY MUST PREPARE FOR NUCLEAR WAR

Helsinki HELSINGIN SANOMAT in Finnish 6 Feb 83 p 2

[Editorial: "Nuclear Weapons Threat Does not Require Silence"]

[Text] The interaction between the experts and the vast public that is concerned about international developments is obvious. Although these two sides may often speak a different language and may talk past one another, public opinion is always dependent on the conduct of the former to provide the knowledgeable basis upon which it must base its conclusions.

Nuclear weapons provide a typical example. Finland exists in a world of nuclear war doctrines, but nonetheless assumes a slightly unrealistic attitude toward the existence of a nuclear arms threat. The vast public is aware that such an attitude does not place Finland outside the sphere of operations of the great powers. The concern thus aroused forces the decisionmakers to consider subjects of proven sensitivity.

Opinion today in Finland is quite unanimous about one matter, namely, the use of nuclear weapons in Northern Europe in a war situation is a possibility that is now all the more needful of consideration. The talk about a shelter area is therefore a form of self-deception. In addition, the distinction between nuclear weapons and conventional weapons is constantly becoming more obscure in the technical sense.

Finland seeks, primarily by foreign policy means, to forestall conflicts and to limit nuclear weapons armaments. In addition to that, Finns must embolden themselves to talk openly and constructively about their own situation and the measures that it requires. That would assist people in assessing a proper measure of the matter, which in turn would serve to allay needless pressures.

The report of the Third Parliamentary Defense Committee has been used already for almost two years as a guideline, and currently the groundwork is being laid, even by governmental tactics, for the work of the next Defense Committee. In this respect, the exchange of opinion initiated by the Paasikivi Society on the theme "Nuclear War and Finland" is quite appropriate.

The experts presume to see General Lauri Sutela, commander of the Defense Forces, pursuing a more aggressive defense policy than that prevailing hertofore. Reference is made in this connection to General Sutela's concept that the promotion of Finland's defense readiness lessens the threat of nuclear war in that it tends to prevent use of Finnish territory by others.

Nor did the Third Parliamentary Defense Committee reject entirely the idea that Finland could become a special target for nuclear weapons. The complete elimination of the possibility of nuclear war from the calculations is totally unrealistic, despite the fact that the practical Finnish calculations are based preponderantly on the waging of conventional warfare.

Preparedness that minimizes, by various protective means, the destructive effect of nuclear blows that may randomly or by intent strike in Finland is extremely important. Such vast quantities of those weapons exist in storage today that it would be truly unforgiveable to ignore the possibility that they will be used.

A realistic way of life in the shadow of nuclear weapons demands a response to the challenges created by the developmental prospects of military technology. In fact, President Urho Kekkonen noted in his book "Tamminiemi" that the more effective a foreign policy is, so much the more readily the Defense Forces are willing to accept it.

5955

CSO: 3617/69

'SUPER-COMPUTER' PROJECT FOR MILITARY, SCIENTIFIC GOALS

Paris LES ECHOS in French 21 Jan 83 p 8

[Article by Jacques Jublin: "France Plans a 'Super-Computer'"]

[Text] The military is dead set to acquire it. The scientists, ditto. Without a super-powerful computer, national independence can be in serious jeopardy. For Ronald Reagan at times has been known to brutally slam the door on technology transfer to convince his allies of the merits of his foreign policy.

The case of the European-Siberian gas pipeline was accompanied last summer by intense diplomatic exchanges and disputes. But in the wings the American president manipulated the arguments to try to bring pressure on France, going to the point of delaying deadlines for the deliveries of the "mammoth" data processing systems necessary for French scientific research.

This attitude, which recalls that adopted by Washington vis-a-vis Gen Charles de Gaulle more than a decade ago, seems to have impressed many minds in the French Government, to such an extent that France, in order not to suffer some day from a lack of strategic data-processing potential, has decided to move ahead with a "super-computer" project capable of rivaling the most advanced models, be they American or Japanese. This is no less valuable than the diplomatic effort in this respect so that France may not find itself in a dependent situation one day.

Jean-Pierre Chevenement confirmed this point yesterday. This "jumbo computer project, military and scientific, is being planned by the government. Research teams will go to work." This is a major option in the context of mastering the electronics field which the minister of industry breaks down into three sections: Data processing, mass consumption electronic products, and components.

The "super-computer" project may require some 400 million francs over several years. But the experts note that the military, for its strategic computations, is ready to foot a large portion of the bill. And then, with the Americans selling their computer hardware at 30 to 40 million francs each, the amortization of the developmental costs is relatively painless.

However, there is no question of planning large-scale industrial production: The essential thing is to preserve the country's independence and to have the data processing industry benefit from the spinoffs from the research of

such a major program. The project will be constantly re-evaluated over the years and should involve two firms essentially: CII-HB [International Data Processing Company-Honeywell Bull] and SINTRA [Industrial Company of New Radioelectric Techniques and French Electronics] (the General Electric Company group). Its aim would be a computer capable of handling over 100 million data-processing inputs a second.

Jean-Pierre Chevenement announced yesterday that electronics research will have allocated to it this year 8 billion francs in credits against 6.2 billion francs in 1982--more for computers and for their component parts as well with the establishment of a two-pronged structure, and for mass consumption electronic products. The major question, still pending, is to know the attitude which the Germans will take regarding the plan by Thomson [of France] to repurchase Grundig [of Germany].

Jean-Pierre Chevenement is now witnessing an attempt to broaden the negotiations so that Siemens and Bosh may take part in the operation. At any rate, nothing will be settled before the scheduled March elections in the Federal Republic of Germany.

2662

CSO: 3519/292

PERU ORDERS MIRAGE 2000; CHILE, ECUADOR INTERESTED

Paris AVIATION MAGAZINE INTERNATIONAL in French 15-31 Jan 83 p 15

[Article: "Peru Orders 26 Mirage 2000 Aircraft"]

[Text] Contrary to the information which appeared in the general press reporting the sale of 24 Dassault-Breguet Mirage 2000 aircraft to Peru, it involves 26 planes of this type (22 of them in the single-seater version and four in the twin-seater version) which that country has purchased from France, as our periodical was the first to report (see AVIATION MAGAZINE INTERNATIONAL, No 839, 1 December 1982, p 15). It is now possible to know more about the terms of this contract or rather of the two agreements signed on the same day (15 December 1982). The first bears on the firm order for 16 aircrafts (14 single-seaters and two twin-seaters) while the second agreement bears on an option for 10 aircrafts (eight single-seaters and two twin-seaters), the option being accompanied by such terms that it may be considered "firm." These 26 Mirage 2000's represent an outlay of \$650 to \$700 million, to which should be added the cost of the appropriate weaponry. The deal represents in fact an order worth \$1 billion which Peru has given to the French arms industry.

This is the conclusion of negotiations which proved fruitful but which many people did not believe would do so.

The circumstances surrounding this successful deal recall those which had led to the purchase in 1969 of a Dassault-Breguet Mirage-5 squadron by Peru which thus became one of the very first South American users of that aircraft, bringing along with it other Latin American countries to acquire the French combat plane.

Ecuador and Chile

That is the case today of several South American countries which, rightly or wrongly, feel threatened and do not wish to see ensconced in South America a situation of imbalance that would be too obvious in defense potentials, a disequilibrium which the appearance of a combat plane with performance characteristics such as those of the Mirage 2000 cannot but provoke. The other countries of that continent cannot thus help but acquire, too, the Mirage 2000 or another competing plane. The French would thus be

well advised to step up their vigilance over the markets which they enjoy in South America. It is believed first that Ecuador is a potential client given its border problem in the Amazon region and that Chile is another, considering its wish to insure its defense both in the north (vis-a-vis Peru) and in the south (vis-a-vis Argentina).

Chile has so far expressed its preference for the Mirage 50 and would like to increase the number of aircraft of this type which it now uses to 50. But for the time being Paris does not seem inclined to accede to its request. Will Chile then find elsewhere than in France the balance of arms that it seeks?

2662

CSO: 3519/292

BRIEFS

'JAGUAR' TRAINING SHIP--Invited by the director of the Permanent Sea Trials Commission [CPE] on Thursday, 16 December 1982, Vice Admiral of Cadets Brac de La Perriere took out to sea for trials lasting a few hours one of the latest additions to the French Navy, the "Jaguar." Involved is the third of a planned series of eight training ships. The commander in chief for the Atlantic, accompanied by the major general of the port of Brest, Rear Admiral Raison, and Captain Roche, vice chairman of the CPE, thus wished to determine personally the naval capabilities and the special facilities of these training vessels slated to replace the former mine-sweepers of the 20th and 22nd DIDRA [Minesweepers Division]. The "Jaguar" should enter active service soon. It will thus join two other peaceful "predatory beasts" of this future "naval force" earmarked to training--the "Leopard" and the "Panthere." [Text] [Paris COLS BLEUS in French 15 Jan 83 p 18] 2662

NEW TRAINING SHIP DIVISION--On 7 January 1983 a ceremony featured in the Atlantic Fleet the formation of the 20th Training Ship Division (20th DIVEC) which includes the training ships "Leopard," "Panthere," "Jaguar," and "Lynx." These vessels are designed for the navigational training of senior deck officer-cadets of the naval schools. Ordered at the Workyards and Shipyards of La Manche, these vessels are part of a series of eight identical craft built at the Shipyards of La Manche in Saint Malo and at the Shipyards of La Perriere in Lorient. The four latest craft called "Guepard," "Chacal," "Tigre," and "Lyon" are scheduled to be delivered to the French Navy during 1983. [Text] [Paris COLS BLEUS in French 15 Jan 83 p 18] 2662

INDIAN OCEAN DIVISION RETURNS--On 23 November 1980, the Antimine Division of the Indian Ocean (DAMOI), originally made up of the depot ship "Loire" of the Atlantic Fleet in Brest, the minesweepers "Verseau," "Cephee," and "Phenix" of Cherbourg, and the minesweepers "Vinh Long" and "Cantho" of Toulon, was established. It was necessary to counter the risk of the mining of the Persian Gulf, a strategic route for France's oil supplies. Since then this naval force, commanded successively by Captain Bigot and Commander de Montaigne de Poncins, stayed put with regular rotations of the vessels to metropolitan France, with the exception of the "Loire." COLS BLEUS has already reported the return of the DAMOI: Only two minesweepers ("Phenix" and "Cephee") have remained in the area to insure a

presence in the region through January. Thus, the depot ship "Loire," accompanied by the "Dompaigne" and the "Alencon," sailed from Djibouti on 17 November 1982 for Brest where it arrived after calls at Suez, Port Said, Augusta, Palma de Majorca, and Porto. [Excerpt] [Paris COLS BLEUS in French 15 Jan 83 p 17] 2662

FUEL SUPPLY SHIP TESTED--The "Var" returned [to Brest] from a long voyage on Monday, 20 December 1982. Rear Admiral Bourgeois, chairman of the Permanent Sea Trials Commission [CPE], who had sailed on the "Var" from Quebec City, paid a visit to the maritime prefect to tell him how highly he thought of this future fuel supply ship. In a month, following final adjustments, the "Var" will be "service ready" and the tanker-supply vessel will sail for Djibouti via Toulon. [Text] [Paris COLS BLEUS in French 15 Jan 83 p 17] 2662

CSO: 3519/288

ELITE CORPS TRAINS TO SUPPRESS CRIME, TERRORIST OPERATIONS

Athens TA NEA in Greek 10 Feb 83 p 18

/Text/ At the Rendina Camp outside Salonica, 80 policemen are training with mountain raiders /members of the Mountain Raider Company--LOK/ in methods of dealing with criminals (robbers, burglars, terrorists, etc.). The training will last for a month and the group includes 25 noncommissioned officers and policemen from the Cities Police, as many from the Gendarmerie and 10 policemen from the Special Missions Unit which is headed by Major Mikhalis Georgiakakis.

The decision to train policemen in LOK camps was taken by Public Order Skoularikis as a result of the crime increase in recent months in Athens, Piraeus, Salonica and the Athens suburbs.

According to reports, other policemen also and especially those serving in the persecution of the common crime will be trained in LOK camps. They will also be trained in the firing of modern arms along with their physical education and the methods in coping with the criminals.

At the same time, almost all policemen will attend seminars and will watch films on modern methods in suppressing crime. According to other reports, the Public Order Ministry is thinking of increasing the police force and equipping the services against crime by super-modern technical means. It is also possible that the Greek police may be supplied with helicopters which will be landing on the roofs of buildings in the center of Athens and environs for use in pursuing criminals.

7520

CSO: 3521/206

CAPTAIN ARRESTED IN DOCUMENTS THEFT

Athens TA NEA in Greek 12 Feb 83 p 1

/Text/ Captain Thomas Konstandinou, a secretary of the judiciary who was stealing General Staff secret documents, as TA NEA revealed yesterday, has connections and contacts with groups of juntist die-hards and it appears that these relations of this juntist captain and torturer--it is as yet unknown how he remained on active duty and in a key position in the General Staff--have disturbed the military authorities following the disclosure of the scandal.

They are concerned because it has been established that a core of juntists outside the army consisted of dangerous elements of the April /21 1967/ dictatorial caste and maintained contacts with active officers, thus learning all about the activities of the army. It is also possible that this core was influencing some services through persons such as Konstandinou (for transfers, etc.).

This information was revealed to TA NEA yesterday by a responsible source in the National Defense Ministry. /Defense Minister/ Drosogiannis confirmed this paper's report and said that the documents the captain was removing were secret but did not deal with the country's defense plans.

Defense Matters

By contrast, appropriate officers claimed yesterday that the documents the captain was stealing (he was sentenced by the Athens Permanent Military Court for torturing Alekos Panagoulis) also included "documents stamped COSMIC" (a term denoting the degree of security of documents given to NATO and dealing with overall defense plans).

Drosogiannis--who characterized the infraction as very grave--as well as senior officers of the Army General Staff /GES/ refused to comment on the fact that an officer who in accordance with regulations should have been discharged, continued in active service and in a key position, moreover.

Also, according to ministry circles, Captain Konstandinou did not keep the documents for his personal files but gave them to third parties. Moreover, some of these documents were published from time to time in the extreme Right press and in newspapers abroad.

He Was Under Surveillance

Konstandinou was under surveillance long before his arrest. His movements had attracted the attention of the [Greek] Pentagon's air police because among other things he was using the eastern entrance of the building and not the main one as all officers do. At the same time, the GES Second Staff Office had discovered the disappearance of certain documents and after closely watching Konstandinou discovered his connections with officers of the extreme Right.

Konstandinou acted very "professionally." He removed the original documents by exploiting the standard practice of destroying secret documents at fixed intervals.

7520

GSO: 3521/206

MILITARY

GREECE

INCREASE IN U.S. MILITARY, CIVILIAN PERSONNEL AT BASES REPORTED

Salonica I MAKEDONIA in Greek 6 Feb 83 p 1

/Text/ Athens, 5 February--One hundred American military and civilian personnel have arrived from Germany for the purpose of manning the American bases.

According to reports a number of civilian Americans filled the vacancies created when Greek employees at the bases were fired for union activities or other reasons. Another reason, according to rumors, for the increase of the American personnel at the bases is the expansion of the installations, particularly at the Ellinikon base, and of the electronic communications at the Nea Makri base.

Among the American civilians is a group of fire engine drivers as well as drivers of vehicles for towing airplanes. Among the military, according to the same reports, are 15 repairmen of sensitive airplane instruments.

Another group of Americans who came to Greece, the reports say, are specialists in the modulation of frequencies of complicated surveillance and detection systems at the Crete bases of Nea Makri and Gournai. This group includes coordinators of sets for electronic communication with other American headquarters in Turkey, Italy and Spain.

7520

CSO: 3521/206

MILITARY JOURNAL POLL FINDS SUPPORT FOR NATO REMAINING HIGH

Oslo AFTENPOSTEN in Norwegian 11 Feb 83 p 5

[Text] The concluded debate on defense and security policy does not seem to have had any effect on popular attitudes toward NATO. The POLK OG FORSVAR opinion poll shows that two-thirds of the Norwegian population said that our membership in the alliance helps to guarantee the security of the nation. There is great stability in the support for NATO in both the Conservative and Labor parties, while a sharp increase can be noted for the Christian People's Party and the Liberals.

The survey was conducted in November 1982 by Norwegian Market Data, using the same question that was asked in previous surveys: "Do you think that Norway's membership in the western defense alliance, NATO, helps to secure the country against an attack by a foreign power or do you think our NATO membership plays no role in this regard?"

When broken down by sex, age, place of residence and socioeconomic status, the latest opinion poll simply shows less differences than were noted previously. But the survey shows that there is a sharp increase in support for NATO among Christian People's Party and Liberal voters, while a distinct decline was noted for supporters of the Socialist-Left Party.

In the Christian People's Party, 66 percent supported NATO membership in the last poll, while the percentage in the most recent poll rose to 77. The Conservative Party has a stable position, just a few percentage points below 90 percent. The Labor Party is also stable at a little below 60 percent. The Center Party was also stable at 74 percent (compared to 76 percent in 1981), the percentage of its supporters who think NATO contributes to securing the peace. As far as SV [Socialist-Left Party] is concerned, support fell from 26 to 15 percent.

6578

CSO: 3639/68

ARMY OFFICERS DENY PURCHASE DECISION NEAR FOR SWEDISH RBS 56

Oslo AFTENPOSTEN in Norwegian 14 Jan 83 p 48

[Text] "Defense leaders are not making a concrete assessment of the acquisition of the new Swedish antitank weapon, the Bofors RBS 56." This was revealed by both Colonel Per O. Harbo of the Army Supply Command and Major General Gunnar Helset, commander of the land combat forces in North Norway, in statements to AFTENPOSTEN.

The Bofors RBS 56, which also goes under the name of "Bill," is an anti-tank missile that is so light that it can be carried and fired by one man. The missile is constructed to explode over the tank, with a built-in charge firing at the tank turret at a 30-degree angle. The missile has been given this ability because a tank is most vulnerable in the turret area.

"We have no plans at this time to acquire this weapon," said Colonel Harbo. "The Bofors RBS 56 is in the process of being developed and it is too early to evaluate its properties. If we do decide to acquire this type of weapon, what the Swedes have to offer will be evaluated on an equal footing with other comparable weapons systems," said Harbo.

Major General Helset added that no one from Norway has been to Sweden to follow the development of the new Swedish weapon.

"In the long run, it is clear that the defense system is looking for a satisfactory antitank weapon at a satisfactory price. The Bofors RBS 56 belongs to a family of weapons that could be of interest to the Norwegian armed forces in a few years. But money must also be obtained to pay for the weapon, and that is something the army does not have at the moment," said Helset.

6578

CSO: 3639/68

ADMIRAL REVEALS INCREASING INTRUSION BY FOREIGN SUBS

Oslo AFTENPOSTEN in Norwegian 15 Feb 83 p 5

[Text] Statistics show increased activity by foreign submarines in Norwegian waters in the last few years. In 1982, 15 observations were listed. In the last 14-year period, we can say for a fact that we have had unauthorized visits by foreign submarines in our fjords on several occasions. These statements were made by the inspector general for the navy, Rear Admiral Roy Breivik in a speech to the Oslo Military Society yesterday.

Admiral Breivik maintained that the 14-year period could be divided in half when it comes to the frequency of this activity, with a clear preponderance in the first 7-year period. "In 1976, stricter rules on military reactions to foreign submarines violating Norwegian territory were introduced. That could have contributed to the reduced activity after that time," said Breivik, who pointed out that the Ministry of Defense found it necessary to reduce the warnings to foreign submarines, among other things. Admiral Breivik said this could have had a deterrent effect on this activity.

Fifteen in 1982?

But if one studies the statistics from recent years, one notes an even increase from no observations in 1979 to 15 in 1982, he said.

"If I am to draw any conclusions from these figures, they must be to the effect that we can expect unauthorized visits from foreign submarines in our coastal waters in the future as well," said Admiral Breivik, who also emphasized the point that if we are to be able to deal with the problem of foreign submarines in the future, we will have to rely entirely on vessels like our own frigates and submarines.

"Without such units, foreign submarines will more or less have free access to our coastal waters. Because of their special properties and capacity, both types are necessary and complementary elements in this kind of operation, as the Swedes undoubtedly felt in the Stockholm archipelago recently," said Breivik.

With regard to the coincidence in time of foreign submarine activities and military or political activities, the statistics show that the frequency is

greatest in the spring, during the month of May, and in the late fall, during the month of November.

"Thus there does not seem to be any special correlation in time with our naval maneuvers, whether national or allied, since these normally take place earlier in the fall."

Intentions?

What are the intentions behind the decision of a foreign power to send submarines on illegal assignments into our territorial waters? asked Breivik, who stressed that the submarines of the navies of all nations are regarded as very versatile and serviceable. "The enormous stress by the great powers on submarines as a nationally vital strategic retaliatory potential indicates that they consider the unique properties, durability, survivability and striking force of submarines likely to remain unchallenged, by and large, in the foreseeable future," said the navy's inspector general, who added that the strategic importance of our adjacent ocean areas means that our territorial waters could be considered as a potential area of operations for submarines during a conflict.

Admiral Breivik did not fail to stress that limitations in technology and resources in the antisubmarine sector made it difficult to give adequate warning of foreign submarines that enter Norwegian territorial waters while submerged. "We are entirely dependent on help from people living on the coast to warn of foreign submarines in peacetime, assisted by those who work on or in close proximity to the ocean," said Roy Breivik.

Soviet Sound-Detecting Buoy

It was a hydroacoustical sound-detecting buoy of Soviet origin that was found drifting in the ocean near the Statfjord field in the North Sea, according to the Defense High Command. The buoy, which was discovered accidentally by an oil worker, was investigated Monday at the Haakonsvern naval base outside Bergen. The sound-detecting buoy is 3 meters long and 90 cm high and was probably installed on the ocean floor by a submarine. These buoys are used as "route signs" for submarines or to provide signals on shipping traffic.

6578

CSO: 3639/68

DEFENSE MINISTRY WARY OF MOROCCO; DEFENSE CAPABILITY BOLSTERED

Barcelona LA VANGUARDIA in Spanish 11 Feb 83 p 3

[Article by Ramon Gonzalez Cabezas]

[Text] Madrid--Spanish military authorities are seriously including in their strategic estimates the assumption of a conflict with Morocco in the next few years, involving virtual armed aggression against the enclaves of Ceuta and Melilla. In this area the position of the socialist Government of Spain is unequivocal, to the point that at present its priority objective in the defense field consists in providing itself, to the maximum extent, with the capability of responding to an attack of this kind and in strengthening its deterrent capacity for the protection of the so-called "southern flank" (Balearic Islands-Straits of Gibraltar-Canary Islands axis).

The inadequacy of the present defensive military preparations in the North African enclaves and the probability of a worsening of the dispute with Morocco have contributed to giving added priority to the plans by the Ministry of Defense concerning the protection of national interests in that region.

Spanish intelligence services have been following with particular attention the political and military developments in North Africa, and especially in Morocco, where the recent disappearance of the mythical General Dlimi, under confused circumstances, has revived speculation on the internal situation in Morocco and the possible consequences for its foreign policy. Months before this event took place and, of course, as a result of the Moroccan initiative in the Assembly of the Union of Arab Parliamentarians, the Spanish Ministry of Defense apparently had reliable information on a renewal of the well-known Moroccan claims to the Spanish enclaves on the other side of the Straits of Gibraltar. I consider that these reports are absolutely serious in character.

The concern of the socialist government regarding an early complication of its dispute with Morocco appears clearly in the policy of improving and modernizing the armed forces and in the acquisition of new military equipment. In terms of defense appointments some political observers have called attention, for example, to the designation of Admiral Liberal Lucini in command of the front of the Captaincy General of the Mediterranean. They

consider it especially significant in this sense, given the personality and prestige of the officer concerned. In any case and in addition to the possible purchase of modern missiles to improve the antiaircraft defense capabilities in the area of the Levante, the Straits of Gibraltar, and the cities of Ceuta and Melilla themselves, the strategic priorities of the Ministry of Defense seem particularly apparent in terms of the FACA program.

In spite of the recent undertaking of studies on the possibilities of the "Tornado" European airplane, the Spanish authorities seem to absolutely be convinced of the suitability of the F-18 airplane, made by the American company, McDonnell Douglas, to meet the needs of the Spanish Air Force in terms of its strategic interests and improving its deterrent capability to the maximum extent.

The choice of the Spanish Government of the F-18 was fundamentally determined by the risk of a real conflict with its African neighbor. In this sense, the experts note that the radius of action of these sophisticated airplanes, which also enjoy versatility in a defense or attack mode, completely covers the Atlantic and Western Mediterranean flank of North Africa in a broad space along and covering the Balearic Islands-Straits of Gibraltar-Canary Islands axis. The superiority of the F-18 with regard to the F-16 was considered and rejected by Spain, and Morocco will probably acquire it to modernize its combat air force.

An attitude of extreme prudence and reserve was noted yesterday [10 February] in official Spanish circles after the resolution adopted by the Union of Arab Parliamentarians became known, a development to which the Spanish minister of foreign affairs attached little importance. Sources within the Spanish Government pointed in any case to the firm position held by the government and the armed forces of considering Ceuta and Melilla as "non-negotiable" matters. Meanwhile, well informed circles agreed in pointing out that the agreement reached in Rabat gave every indication of a new Moroccan maneuver to distract attention.

All observers also agreed in pointing out that the evolution of the dispute over Ceuta and Melilla would be inevitably determined by what might happen to the process of decolonization of Gibraltar, a question which no doubt is taken into account in terms of both the strategy of Spanish diplomacy and Spanish defense policy. On the other hand, the close relations which the United States has with Morocco make any surprise in the region unthinkable.

However, this circumstance is also considered a factor to take into account at a time when the strategic interests of the United States face a new situation in view of present Spanish foreign policy and, more specifically, the renegotiation of the friendship treaty between the two countries.

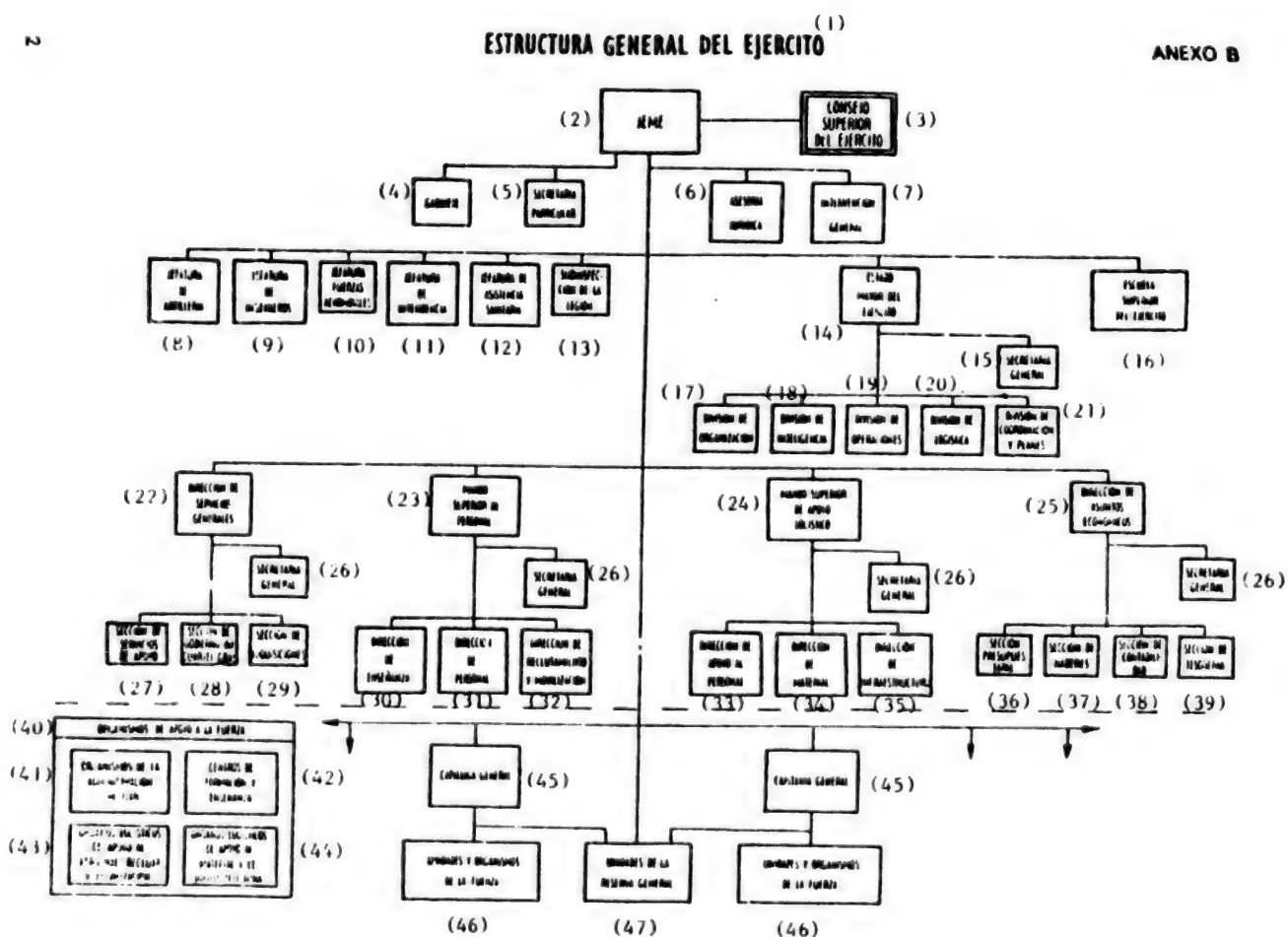
5170

CSO: 3548/189

ORGANIZATIONAL CHARTS, FUNCTIONAL BREAKDOWN OF ARMY

Madrid EJERCITO in Spanish Dec 82 pp 2-7

[Text]



Key:

1. General Structure of the Army
2. Army Joint Staff
3. Army Superior Council
4. Cabinet
5. Private Secretariat
6. Legal Advisory Office
7. General Auditing
8. Artillery Headquarters
9. Engineers Headquarters
10. Air Forces Headquarters
11. Intendancy Headquarters
12. Health Care Assistance Headquarters
13. Subinspectorship of the Legion
14. Army Staff
15. General Secretariat
16. Superior Army School
17. Organization Division
18. Intelligence Division
19. Operations Division
20. Logistics Division
21. Coordination and Planning Division
22. General Services Directorate
23. Personnel Superior Command
24. Superior Command of Logistic Support
25. Economic Affairs Directorate
26. General Secretariat
27. Support Services Section
28. Headquarters Management Section
29. Procurement Section
30. Directorate of Education
31. Personnel Directorate
32. Recruitment and Mobilization Directorate
33. Personnel Support Directorate
34. Materiel Directorate
35. Infrastructure Directorate
36. Budget Section
37. Assets Section
38. Accounting Section
39. Treasury Section
40. Force Support Bodies
41. Military Administration Bodies
42. Training and Education Centers
43. Logistic Support Bodies for Personnel, Recruitment and Mobilization
44. Logistic Materiel Support and Infrastructure Bodies
45. General Captaincy
46. Force Units and Bodies
47. General Reserve Units



Key:

1. Army General Headquarters
2. Army Joint Staff
3. Army Superior Council
- 3a. Cabinet
4. Private Secretariat
5. Legal Advisory Office
6. General Auditing
7. Command Classification Board
8. Artillery Headquarters
9. Engineers Headquarters
10. Air Forces Headquarters
11. Intendancy Headquarters
12. Health Care Assistance Headquarters
13. Subinspectorship of the Legion
14. Army Staff
15. Field Artillery Section
16. Antiaircraft Artillery Section
17. Coastal Artillery Section
18. Artillery Servicing Section
19. Military Engineers, Railways and Specialties Section
20. Transmissions Section
21. Engineering and Transmissions Material Servicing Section
22. Staff
23. Helicopter Servicing Section
24. Intendancy Section
25. Administration Section
26. Health Care Section
27. Pharmacy Section
28. Veterinary Section
29. Cavalry Subinspectorship
30. Standing Secretariat of the Army Superior Council
31. Organization Division
32. Intelligence Division
33. Operations Division
34. Logistics Division
35. General Secretariat
36. Coordination and Planning Division
37. Personnel Section
38. Recruitment and Mobilization Section
39. Education Section
40. Technical Support Section
41. Information Section
42. Counterinformation Section
43. Campaign Section
44. Instruction Section
45. Doctrine Section
46. Personnel Support Section
47. Materiel Section
48. Infrastructure Section
49. General Plans Section
50. Programs and Financing Section
51. General Services Section
52. General Services Directorate (DISG)

53. General Secretariat
54. Support Services Section
55. Headquarters Management Section
56. Procurement Section
57. Personnel Superior Command (MASPE)
58. Standing Secretariat for Classification Support
59. General Officers Section
60. Education Directorate
61. Personnel Directorate
62. Recruitment and Mobilization Directorate
63. Technical Secretariat
64. Technical Secretariat
65. Training Section
66. Weapons Section
67. Advanced Training Section
68. Corps Section
69. IMEC Section
70. Armament and Construction and Specialists Corps Section
71. Technical Secretariat
72. Civilian Personnel Section
73. Documentation and Remuneration Section
74. Mobilization Section
75. Labor Section
76. Troop Section
77. Superior Command of Logistic Support (MASAL)
78. Constructions Inspectorship
79. Personnel Support Directorate
80. Materials Directorate
81. Infrastructure Directorate
82. Technical Secretariat
83. Intendancy Service Section
84. Health Care Service Section
85. Pharmacy Service Section
86. Veterinary Service Section
87. Religious Service Section
88. Remount Service Section
89. Procurement Section
90. Technical Secretariat
91. Armaments and Artillery Section
92. Munitions Section
93. Engineering and Transmissions Equipment Section
94. Vehicles, Helicopters and Fuel Section
95. Procurement Section
96. Technical Secretariat
97. Project Supervision Office
98. Works Section
99. Property Section
100. Procurement Section
101. Economic Affairs Directorate (DIAE)
102. Budget Section
103. Assets Section
104. Accounting Section
105. Treasury Section

Army Staff: Coordination and Planning Division (Activities Programming)

Symbol: F₀₀₁

Activity (classification): Studies

Substance: General studies on joint issues (JUJEM [Joint Chiefs of Staff])

Function: Operations

Subfunction: General

Control, Planning, Advisory and General Inspection Body: EME [Army Staff], Fifth Division)

Symbol: F₀₀₂

Activity: Planning

Substance: General planning PEC (P 1) and coordination of medium- and short-term plans (P 2)

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Symbol: F₀₀₃

Activity: Programming

Substance: Programming, definition and monitoring of activities, functions and subfunctions (coordination with PPP)

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Symbol: F₀₀₄

Activity: Standards

Substance: General standards, monitoring standards corps

Function: Operations

Subfunction: General

Control Body; EME, Fifth Division

Symbol: F₀₀₅

Activity: Structures

Substance: General structures of the army, general organization

Function: Operations

Subfunction: General

Control Body; EME, Fifth Division

Symbol: F₀₀₆

Activity: Relations

Substance: Relations with military bodies not under the JEME

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Symbol: F₀₀₇

Activity: Functions

Substance: Functional structures, functional relations among CGE, force and force support bodies

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Symbol: F₀₀₈

Activity: Rationalization

Substance: Administrative rationalization, methods

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Execution Bodies: MASPE, MASAL, DIAE and DISG

Symbol: F₀₀₉

Activity: Coordination

Substance: General Coordination, coordination of EME divisions

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Symbol: F₀₁₀

Activity: Treaties, agreements and accords with other countries

Substance: Studies on treaties, accords and agreements with foreign countries and armies

Function: Operations

Subfunction: General

Control Body: EME, Fifth Division

Symbol: F₀₁₁

Activity: Campaign plans

Substance: Miscellaneous campaign and emergency plans in response to threats (P 1)

Function: Operations

Subfunction: Operations

Control Body: EME, Third Division

Execution Bodies: Force

Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₂

Activity: Operational plans

Substance: Establishment of operational plans (P 2)

Function: Operations

Subfunction: Operations

Control Body: EME, Third Division

Execution Bodies: Force

Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₃

Activity: General plan of instruction
Substance: Development of the various phases of instruction
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: Force
Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₄

Activity: Basic training
Substance: Group basic training of troop personnel
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: CIR's and Force
Support Bodies: CIR's and Educational Aids Cenetrs
Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₅

Activity: Instruction
Substance: Training and advanced training of troop personnel
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: Force
Support Bodies: Educational Aids Center
Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₆

Activity: Doctrine
Substance: Formulation of army doctrine and tactical regulations
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: Force
Support Bodies: Education and Educational Aids Cenetrs
Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₇

Activity: Tactical exercises
Substance: Tactical movements of small units
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: Force
Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₈

Activity: Maneuvers
Substance: Major exercises with GU's, either joint or combined
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: Force
Specific Advisory and Inspection Body: EMS

Symbol: F₀₁₉

Activity: Operations
Substance: Guidance of operations, development of operational plan
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Body: Force
Specific Advisory and Inspection Body: EMS

Symbol: F₀₂₀

Activity: Sports and physical education
Substance: Training and advanced training of military personnel
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Bodies: Force
Specific Advisory and Inspection Body: EMS

Symbol: F₀₂₁

Activity: Security zones
Substance: Demarcation and monitoring of security and defense zones, purchases by foreigners
Function: Operations
Subfunction: Security
Control Body: EME, Third Division
Execution Body: DIN [Intelligence Division]
Specific Advisory and Inspection Body: JINT [Intelligence Board]

Symbol: F₀₂₂

Activity: Transmissions
Substance: Telecommunications
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Body: Force
Specific Advisory and Inspection Body: JING

Symbol: F₀₂₃

Activity: Training and evaluation
Substance: Training and evaluation of units
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Body: Force

Symbol: F₀₂₄

Activity: Internal security planning
Substance: Controls, security and enforcement of laws (general planning)
Function: Operations
Subfunction: Security
Control Body: EME, Third Division
Execution Body: Force (units, PM and others)

Symbol: F₀₂₅

Activity: Internal security intelligence
Substance: Control, gathering, processing and dissemination of intelligence
for internal army security
Function: Operations
Subfunction: Security
Control Body: EME, Second Division
Execution Bodies: Force and others

Symbol: F₀₂₆

Activity: Installations Project
Substance: Security of installations, barracks and camps (projects
and devices)
Function: Logistics
Subfunction: Security
Control Body: EME, Fourth Division
Execution Body: DIN
Support Bodies: Projects Commands
Specific Advisory and Inspection Body: JING

Symbol: F₀₂₇

Activity: Strategic intelligence
Substance: Control, gathering, processing and dissemination of strategic
intelligence
Function: Operations
Subfunction: Information
Control Body: EME, Second Division
Execution Bodies: Force and others

Symbol: F₀₂₈

Activity: Operational intelligence
Substance: Control, gathering, processing and dissemination of operational intelligence
Function: Operations
Subfunction: Information
Control Body: EME, Second Division
Execution Body: Force

Symbol: F₀₂₉

Activity: Electronic warfare
Substance: Guidance and coordination of electronic warfare
Function: Operations
Subfunction: Operations
Control Body: EME, third Division
Execution Body: EME, Third Division
Specific Advisory and Inspection Body: JING

Symbol: F₀₃₀

Activity: Electronic warfare (intelligence and counterintelligence)
Substance: Planning and processing of intelligence and counterintelligence within the framework of electronic warfare
Function: Operations
Subfunction: Information
Control Body: EME, Second Division
Execution Body: Force
Specific Advisory and Inspection Body: JING

Symbol: F₀₃₂

Activity:
Substance: Protection against information aggression (PIRE, codes, cryptography, etc)
Function: Operations
Subfunction: Information
Control Body: EME, Second Division
Execution Body: Force

Symbol: F₀₃₃

Activity: Mass media
Substance: Relations with the press, radio, television and other mass media and the dissemination of news about the army
Function: Information
Subfunction: Information
Control Body: EME, Second Division
Execution Body: Force and others

Symbol: F₀₃₄

Activity: Public relations and protocol
Substance: Relations with civilian authorities, institutions and centers and individuals not included under the logistic function of "civilian affairs," drafting of standards for protocol
Function: Information
Subfunction: Information
Control Body: EME, Second Division
Execution Body: Force and others

Symbol: F₀₃₅

Activity: Atomic, biological and chemical (ABC) defense
Substance: Adoption of ABC defense protection measures
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Body: Force
Support Bodies: ABC Education Center

Symbol: F₀₃₆

Activity: Civilian affairs service
Substance: Aid to the civilian population
Function: Operations
Subfunction: Operations
Control Body: EME, Third Division
Execution Body: Force

Symbol: F₀₃₇

Activity: Relations with foreign armies
Substance: Channeling relations of every sort with foreign armies, except the negotiation and drafting of treaties, accords and agreements
Function: Information
Subfunction: Information
Control Body: EME, Second Division

Symbol: F₀₃₈

Activity: Morale
Substance: Actions to maintain and bolster morale in the army
Function: Information
Subfunction: Information
Control Body: EME, Second Division
Execution Body: Force
Support Bodies: Educational Recreation for Soldiers

Symbol: F₀₃₉

Activity: Translators and interpreters
Substance: Translation of foreign-language military texts, interpretation
of foreign languages
Function: Information
Subfunction: Information
Control Body: EME, Second Division
Support Bodies: Translators Team

Symbol: F₀₄₀

Activity: History
Substance: Military history studies and research
Function: Information
Subfunction: Information
Control Body: EME, Fifth Division
Execution Body: DISG
Support Bodies: Military History Service

Symbol: F₀₄₁

Activity: Information doctrine and training of intelligence personnel
Substance: Formulation of doctrine on military intelligence and counter-
intelligence and the training of personnel in these fields
Function: Operations
Subfunction: Information
Control Body: EME, Second Division

Symbol: F₀₄₂

Activity: Logistic plans
Substance: Establishment of logistic plans (P 1) (P 2)
Function: Logistics
Subfunction: Logistics
Control Body: EME, Fourth Division
Execution Body: MASAL
Specific Advisory and Inspection Body: EMS

Symbol: F₀₄₃

Activity: Tactical Specifications
Substance: Definition of armament, materials and equipment specifications
Function: Logistics
Subfunction: Logistics
Control Body: EME, Fourth Division
Execution Body: MASAL
Specific Advisory and Inspection Body: EMS

Symbol: F₀₄₄

Activity: Mobilization of material resources
Substance: Planning and control of mobilizable resources
Function: Logistics
Subfunction: Logistics
Control Body: EME, Fourth Division
Execution Body: MASAL (Directorates)
Specific Advisory and Inspection Body: EMS

Symbol: F₀₄₅

Activity: Standardization
Substance: Standardization
Function: Logistics
Subfunction: General
Control Body: EME, Fifth Division
Execution Body: DISG
Support Bodies: Standardization Service

Symbol: F₀₄₆

Activity: Cataloguing
Substance: Cataloguing
Function: Logistics
Subfunction: General
Control Body: EME, Fifth Division
Execution Body: DISG and MASAL
Support Body: Cataloguing Service

Symbol: F₀₄₇

Activity: Statistics
Substance: Statistics
Function: Logistics
Subfunction: General
Control Body: EME, Fifth Division
Execution Body: DISG
Support Body: Statistics Service

Symbol: F₀₄₈

Activity: Data processing
Substance: Data processing
Function: Logistics
Subfunction: General
Control Body: EME, Fifth Division
Execution Body: MASPE, MASAL, DIAE and DISG
Support Body: Data Processing Service

Symbol: F₀₄₉

Activity: Operational research
Substance: Operational and prospective military research
Function: Logistics
Subfunction: General
Control Body: EME, Fifth Division
Execution Body: DISG

Symbol: F₀₅₀

Activity: Religious services
Substance: Religious services in the army
Function: Logistics
Subfunction: Personnel
Control Body: EME, Fourth Division
Execution Body: DIAP

Symbol: F₀₅₁

Activity: Cooperatives
Substance: Nonessential rest and recreation items
Function: Logistics
Subfunction: Personnel
Control Body: EME, Fourth Division
Execution Body: DIAP Specific Advisory and Inspection Body: JINT

Symbol: F₀₅₂

Activity: Personnel support
Substance: Furloughs, rotations, remuneration and replacements
Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Execution Body: DIPE and DIRM

Symbol: F₀₅₃

Activity: Recruitment
Substance: Draft and volunteers
Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Execution Body: DIRM
Support Bodies: Recruitment and Mobilization Zones

Symbol: F₀₅₄

Activity: Education
Substance: Professional training and advanced training needs (except information)

Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Execution Body: DIEN
Support Bodies: Educational Centers

Symbol: F₀₅₅

Activity: Troop personnel management
Substance: Management, administration and control of troops during their period of incorporation
Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Execution Body: DIRM

Symbol: F₀₅₆

Activity: Nontroop personnel management
Substance: Management, administration and control of nontroop personnel
Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Execution Body: DIPE

Symbol: F₀₅₇

Activity: Human resources mobilization
Substance: Planning and control of mobilizable personnel
Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Execution Body: DIRM
Support Bodies: Recruitment and Mobilization Zones

Symbol: F₀₅₈

Activity: Administration of justice
Substance: Administration of justice under the military justice code
Function: Logistics
Subfunction: Personnel
Execution Body: Force

Symbol: F₀₅₉

Activity: Registry of gravesites
Substance: Monitoring of casualties, burials
Function: Logistics
Subfunction: Personnel
Control Body: EME, Fourth Division
Execution Body: DIAP

Symbol: F₀₆₀

Activity: Manning tables
Substance: Organization and coordination of personnel
Function: Logistics
Subfunction: Personnel
Control Body: EME, First Division
Support Bodies: Educational Centers
Specific Advisory and Inspection Bodies: EMS

Symbol: F₀₆₁

Activity: Psychology and psychotechnology
Substance: Psychology and psychotechnology
Function: Logistics
Subfunction: Personnel
Control Body: EME, Fifth Division
Execution Body: DISG
Support Bodies: Psychology and Psychotechnology Service

Symbol: F₀₆₂

Activity: Military health care
Substance: Expert medical care and hospital treatment, supply and maintenance of corresponding materials
Function: Logistics
Subfunction: Health care assistance
Control Body: EME, Fourth Division
Execution Body: DIAP
Support Bodies: Health Care Centers and Hospitals
Specific Advisory and Inspection Bodies: JAST

Symbol: F₀₆₃

Activity: Military pharmaceuticals
Substance: Pharmaceutical assistance, supply and maintenance of pharmaceutical equipment
Function: Logistics
Subfunction: Health care assistance
Control Body: EME, Fourth Division
Execution Body: DIAP
Support Bodies: Military Pharmacies, IFE
Specific Advisory and Inspection Bodies: JAST

Symbol: F₀₆₄

Activity: Veterinary medicine
Substance: Livestock disease control and nutrition, supply and maintenance of the corresponding materials
Function: Logistics
Subfunction: Health care assistance

Control Body: EME, Fourth Division
Execution Body: DIAP
Support Bodies: Veterinary Laboratory and Facilities
Specific Advisory and Inspection Body: JAST

Symbol: F₀₆₅

Activity: Traffic control
Substance: Coordination and regulation of traffic
Function: Logistics
Subfunction: Transportation
Control Body: EME, Fourth Division
Execution Body: MASAL

Symbol: F₀₆₆

Activity: Transportation
Substance: Various modes of transportation
Function: Logistics
Subfunction: Transportation
Control Body: EME, Fourth Division
Execution Body: MASAL

Symbol: F₀₆₇

Activity: Registry of materials
Substance: Organization and coordination of materials
Function: Logistics
Subfunction: Materials
Control Body: EME, Fourth Division
Support Bodies: Educational Centers
Specific Advisory and Inspection Body: EMS

Symbol: F₀₆₈

Activity: Food supplies
Substance: Food supplies
Function: Logistics
Subfunction: Supply and maintenance
Control Body, EME, Fourth Division
Execution Body: DIAP
Support Body: Intendancy Technical Center
Specific Advisory and Inspection Body: JINT

Symbol: F₀₆₉

Activity: Clothing and equipment
Substance: Clothing and equipment of professional troops (including ABC)
Function: Logistics
Subfunction: Supply and maintenance

Control Body: EME, Fourth Division
Execution Body: DIAP
Support Bodies: Technical Center, Warehouses
Specific Advisory and Inspection Body: JINT

Symbol: F₀₇₀

Activity: Complementary materials and quartering
Substance: Complementary materials for army installations
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIAP
Support Bodies: Technical Center, Warehouses
Specific Advisory and Inspection Body: JINT

Symbol: F₀₇₁

Activity: Armaments, artillery and parts
Substance: Weaponry and spare parts (including ABC)
Function: Logistics
Subfunction: Supply and Minatenance
Control Body: EME, Fourth Division
Execution Body: DIMA
Support Bodies: Depots, Shops and Warehouses
Specific Advisory and Inspection Bodies: JART

Symbol: F₀₇₂

Activity: Munitions
Substance: Combat munitions
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIMA
Support Bodies: Depots and Shops
Specific Advisory and Inspection Body: JART

Symbol: F₀₇₃

Activity: Engineering materials
Substance: Engineering materials and machinery
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIMA
Support Bodies: Depots and Warehouses
Specific Advisory and Inspection Body: JING

Symbol: F₀₇₄

Activity: Materials for transmissions
Substance: Materials and other equipment for transmissions
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIMA
Support Bodies: Depots and Warehouses
Specific Advisory and Inspection Body: JING

Symbol: F₀₇₅

Activity: Automotive vehicles
Substance: Automotive vehicles and spare parts
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIMA
Support Bodies: Depots and Warehouses

Symbol: F₀₇₆

Activity: Helicopters
Substance: Helicopters and spare parts
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIMA
Specific Advisory and Inspection Body: JEFAMET

Symbol: F₀₇₇

Activity: Fuels
Substance: Fuels, lubricants and other energy products
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIMA

Symbol: F₀₇₈

Activity: Map-making materials
Substance: Maps and charts (procurement and mapping)
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Third Division
Execution Body: DISG
Support Body: Map-Making Service

Symbol: F₀₇₉

Activity: Remount
Substance: Procurement and maintenance of horses
Function: Logistics
Subfunction: Supply and maintenance
Control Body: EME, Fourth Division
Execution Body: DIAP
Support Bodies: Remount Centers
Specific Advisory and Inspection Body: JAST

Symbol: F₀₈₀

Activity: Construction and infrastructure
Substance: Construction and repair of installations
Function: Logistics
Subfunction: Construction
Control Body: EME, Fourth Division
Execution Body: DIIN
Support Bodies: Construction Commands
Specific Advisory and Inspection Body: JING

Symbol: F₀₈₁

Activity: Real estate
Substance: Land, real estate and rents
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₂

Activity: Military notary's office
Substance: Documentation certification and validation
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₃

Activity: Financing
Substance: Medium- and long-term financing
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₄

Activity: Personnel remuneration
Substance: Authorization and disbursement of personnel expenditures
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₅

Activity: Expenditures management
Substance: Monitoring of outlays, traditional and analytical accounting
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₆

Activity: General payments office
Substance: Authorized government delegation
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₇

Activity: Budgeting
Substance: Drafting of budgets and application standards, by programs
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₈

Activity: Payments for services
Substance: Authorization and disbursement of payments for services
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₈₉

Activity: Treasury
Substance: Financial and internal treasury plan
Function: Logistics
Subfunction: Administration
Control Body: EME, Fifth Division
Execution Body: DIAE
Specific Advisory and Inspection Body: JINT

Symbol: F₀₉₀

Activity: Auditor delegate
Substance: Government delegate engaged in financial and fiscal auditing
Function: Logistics
Subfunction: Auditing
Support Body: INTE

Symbol: F₀₉₁

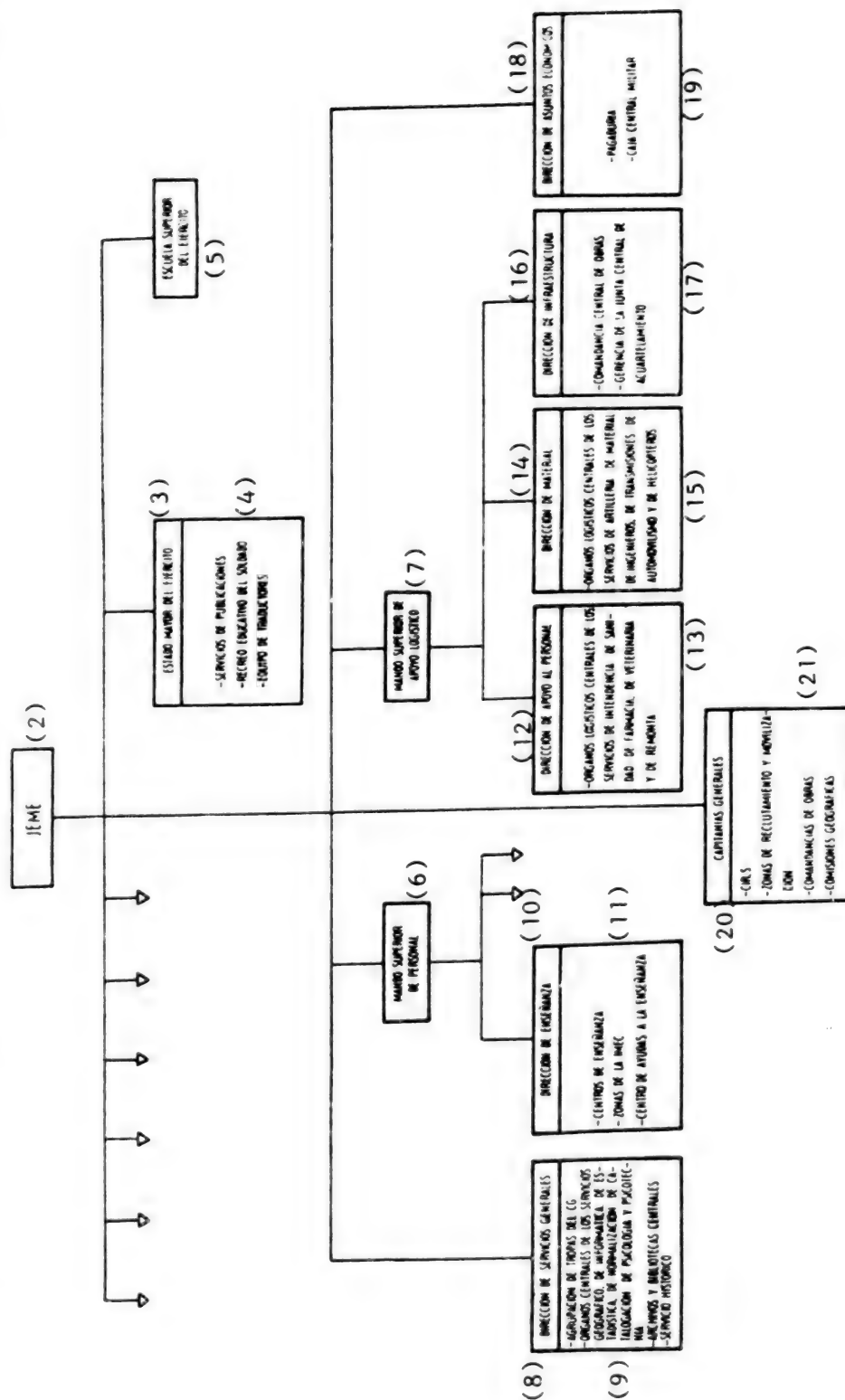
Activity: Financial-fiscal advisory services
Substance: Financial and fiscal advisory services for the JEME and CGE
Function: Logistics
Subfunction: Auditing
Support Body: INTE

Symbol: F₀₉₂

Activity: Rulings
Substance: Noncourtroom legal matters
Function: Logistics
Subfunction: Judicial
Execution Body: ASEJ

Symbol: F₀₉₃

Activity: Legal counsel
Substance: Legal counsel for the JEME and CGE
Function: Logistics
Subfunction: Judicial
Execution Body: ASEJ

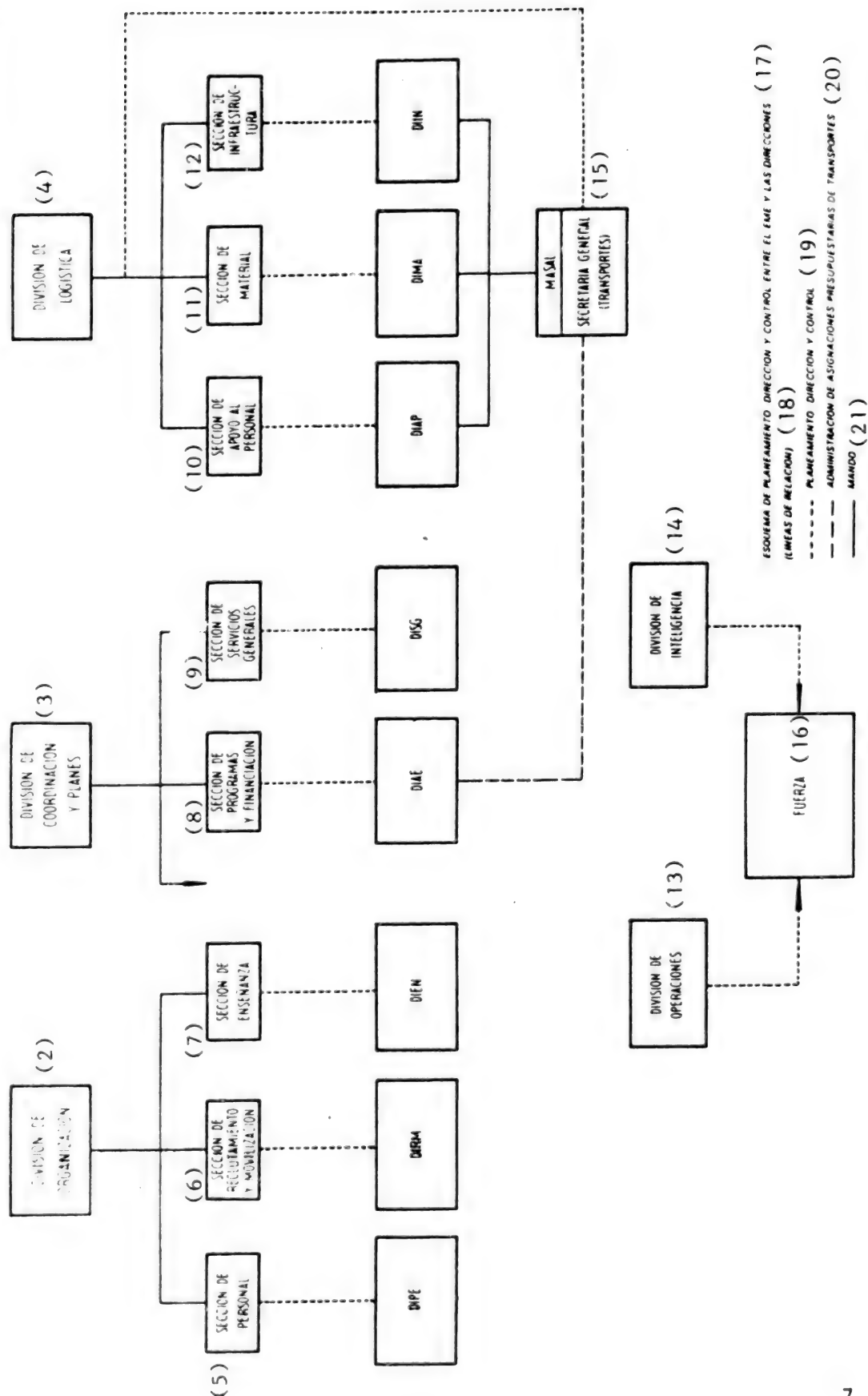


Key:

1. Force Support Body
2. Army Joint Staff
3. Army Staff
4. Publications services; educational recreation for soldiers; translators group
5. Superior Army School
6. Personnel Superior Command
7. Superior Command of Logistic Support
8. General Services Directorate
9. Group of CG troops; Central bodies of the geographic, data processing, statistics, standardization, cataloguing, psychology and psycho-technology services
10. Education Directorate
11. Education centers; IMEC zones; Center for aids to education
12. Personnel Support Directorate
13. Central logistic bodies of the intendancy, health care, pharmacy, veterinary and remount services
14. Materials Directorate
15. Central logistic bodies of the artillery, engineering materials, transmissions, automotive and helicopter services
16. Infrastructure Directorate
17. Central Command of Constructions; Management of the Central Quartering Board
18. Economic Affairs Directorate
19. Disbursements; Central Military Depository
20. Captaincies General
21. CIR's; recruitment and mobilization zones; Constructions Commands; Geographic Commissions

ESQUEMA DE RELACIONES FUNCIONALES (1)

ANEXO I



Key:

1. Functional Relations Chart
2. Organizational Division
3. Coordination and Planning Division
4. Logistics Division
5. Personnel Section
6. Recruitment and Mobilization Section
7. Education Section
8. Programs and Financing Section
9. General Services Section
10. Personnel Support Section
11. Materials Section
12. Infrastructure Section
13. Operations Division
14. Intelligence Division
15. MASAL; General Secretariat (Transportation)
16. Force
17. Chart illustrating planning, guidance and control links between the EME and the directorates
18. Type of link
19. Planning, guidance and control
20. Management of budget allocations for transportation
21. Command

8743

CSO: 3548/165

DETAILS ON DANISH DECISION TO ACCEPT EC FISH AGREEMENT

Copenhagen BERLINGSKE TIDENDE in Danish 26 Jan 83 Sect III p 1

[Article by Klaus Justesen: "Drama to the End as the EC's Fish Were Landed-- Every Fourth EC Fish Remains Danish"]

[Text] Denmark signed yesterday together with her nine EC colleagues the common fisheries policy. It occurred after a month's delay, after German Foreign Minister Hans-Dietrich Genscher worked out a compromise. But Denmark achieved no real improvements, only "a little whipped cream on the cake."

It was the EC Commission's president, Gaston Thorn, who presented this cynical assessment. During the meeting he declared directly that during the last month's negotiations the package that Denmark rejected before Christmas has not been changed. "The cake has not become larger; we have just put a little more whipped cream on it." Thorn stressed, however, that it was a great day in the EC's history.

Use a Magnifying-Glass

EC fisheries experts confirm Thorn's evaluation. One said yesterday to Berlingske that it was necessary to use a magnifying-glass to find changes between the proposal rejected before Christmas and the one accepted now. Fisheries Minister Henning Grove declared, however, his satisfaction.

Danish fishermen maintained their protests to the end. In the EC building's lower floor they continued their protest while the ministers on the 15th floor sealed at 1:47 pm their agreement with a glass of champagne.

The drama over the common fisheries policy was, however, maintained to the end. This time it was Ireland that caused the tension. While the Irish government held a hastily called meeting, the nine other countries waited tensely in Brussels. After half an hour the relieving approval came, and seven years of negotiations were concluded.

Irish Fears

It was apparently the guarantees and clarification Denmark achieved during last month's negotiations which caused concern in Dublin. Apprehension of a large invasion of Danish mackerel fishing boats could, however, be quickly dispelled.

Danish Fisheries Minister Henning Grove spoke of a great day for fishing in the EC, after the ten ministers reached agreement. He asserted that it was not only the agreement about a common policy, but also agreements with Norway, Sweden, and the Faroe Islands which were achieved. The latter have great importance for Denmark. "Fishermen now know what rules they must work under. Simultaneously, from midnight fishing was opened in Norwegian waters. That is very important for Denmark," Henning Grove declared.

Walker Enthused

In regard to the recent months of negotiation, the fisheries minister said that they had been worth the effort. He stressed the value of the broad political majority behind the government's proposals for a common fisheries policy. He regretted that the fishermen's organizations cannot support the policy but stressed that other countries are in the same situation.

British Fisheries Minister Peter Walker had difficulty in hiding his enthusiasm for the agreement. At the same time he restrained his otherwise almost constant attacks on Denmark. One thing was "hammered in with a big nail:" during his tenure as minister Denmark will not be able to catch the controversial mackerel west of Scotland.

This is waved off by the Danish side as unimportant. The most notable improvement in the agreement is precisely that a vaguely-worded promise about access to catch mackerel has become a guarantee of 20,000 tons per year. The amount can in fact be in excess of 20,000 tons per year. Two thousand tons of extra Norwegian cod will also go to Denmark for a number of years.

Kirk Continues

Denmark has this year and in coming years the possibility of catching 25.5 percent of the collective quantity of fish. This includes the catch off Greenland. Without the latter the amount is about three percent less. Yesterday's agreement means that the Danish court case against Great Britain and the EC Commission will now be dropped. On the other hand fishing skipper Kent Kirk is continuing his one man campaign against the British. It will be a long time before his case comes up before the European Court.

9906

CS0: 5200/2527

OFFICIAL LOS EXPERT ON TREATY, FINLAND'S SEABED-MINING GOALS

Helsinki SUOMEN KUVALEHTI in Finnish 28 Jan 83 pp 47-49

[Article by Reijo Vahtokari: "Seabed Will Be Conquered"]

[Text] The UN's Law of the Seas Conference concluded with a treaty by means of compromises. The most significant result for Finland is that the producers of marine technology may have a new breakthrough in the mining of mineral treasures on the seabed.

Doctor of Law E. J. Manner has confidence in the power of the treaty produced by the Law of the Seas Conference: "We may be faced with difficult international crises if a country begins the mining of the seabeds without regard to the treaty."

The 14-year journey of the UN's Third Law of the Seas Conference with all its preparatory phases came to an end on 10 December 1982. At that time after numerous compromises, a general treaty with 320 articles governing the use and legal status of the world's seas, seabed mining as well as certain economic and other zones, fishing areas, and the protection of the seas was submitted for the signatures of the nations.

The most unfortunate surprise to the conference was presented in its final stages by the United States, which announced during the virtually completed negotiations of the text that it wants more time for consideration. Until that time the United States had been prepared to accept the compromises in accordance with the spirit of achieving unanimity at the conference. Even so enthusiastically that the architect of certain important compromise solutions was Secretary of State Kissinger. However, the ascension of the Reagan administration to power brought about a change in direction.

The reasons were the interests of the mining companies and nodules, in particular, those renewable mineral deposits which are concealed in the depths of the seabed and contain manganese primarily and also nickel, copper, cobalt, and zinc. The value of the nodules is emphasized by the fact that they contain minerals that are being depleted on the earth's surface and are also badly needed by the war materials industry. The largest amounts of these nodules are located in the Pacific Ocean between California and the Hawaiian Islands, but they can also be found in the depths of the Indian Ocean and

it is known that these potato-like treasures are also to be found in the Atlantic Ocean.

The premise of the conference was the principle approved by the UN in the latter part of the 1960's that the seabed with its treasures is the joint inheritance of mankind. This concept was made concrete in the treaty in such a way that the use of the seabed and the equal distribution of its treasures even taking developing countries into consideration will be supervised by a special organ, the UN's seabed administration. According to the treaty, its task will be to grant permits to firms and supervise as well as conduct mining operations itself.

However, the United States promoted a "finder's keeper's" policy, which placed the emphasis on private and free enterprise, while complaining that the treaty primarily discriminated against the interests of those countries which have the best economic and technical prerequisites for commencing seabed mining operations.

Finally, in addition to the United States, only three other countries voted against the treaty: Turkey and Venezuela, which are dissatisfied with the solutions concerning their own border disputes and Israel, which was upset with the position granted to the PLO in the treaty. Seventeen countries abstained from voting, among them the Soviet Union, England, and the Federal Republic of Germany, which had already become extensively involved in the plans to the exploit the seabeds.

"Treaty a Great Victory for UN"

Doctor of Law E. J. Manner, the long-time chairman of the Finnish delegation and a central figure in many important negotiations at the conference, considers the treaty to be a victory for the United Nations in spite of the setbacks. Indeed, 130 countries voted for the treaty, and when it was submitted for signatures, an unprecedented event occurred at the UN: the stamp of approval of 119 countries was affixed to the treaty on the first day that it was presented for signatures. Finland and the other Nordic countries were among this honored group.

"The number of signatories is important for the reason that the committee making preparations for the implementation of the treaty and the administrative structure stipulated by it would not have been able to begin its work until the treaty was signed by 50 states," explained Manner.

In addition to the United States, approximately 40 other countries were satisfied with signing only the concluding document of the conference. These included, among others, the Federal Republic of Germany, England, Belgium, and Japan.

The treaty will not go into effect until a year after it has been ratified by 60 countries. However, in any event the preparations committee can begin its work relating to the establishment of an international law of the seas administration on 15 March in Kingston, Jamaica as a result of the rush to sign the treaty.

All the signatory countries to the treaty may participate in the work of the committee with full rights. On the other hand, those countries signing only the concluding document may only send observers. The doors to the treaty are not closed to any country since the treaty can be signed within a period of 2 years and even after that it will still be possible to be included.

Indirect Effects Most Important to Finland

The direct effects of the treaty for Finland will be small in the opinion of E. J. Manner. No such changes will occur in the area of the Baltic Sea that would decisively affect the area's political or economic status.

On the other hand, the indirect effects could be significant. Manner referred to the undersea mining activities that will in time accelerate on the basis of the treaty and will offer opportunities for countries other than the large industrialized countries.

"It will be a question of economic negotiations with respect to how Finland will be able to participate in the results of the mining activity. As a result of a high level know-how in the area of marine technology, Finland will have good opportunities for producing equipment used in the exploration, mining, and transporting of seabed minerals," believes Manner.

"There is reason to examine the resources of our industry in this area, the search for such skills is now being conducted, and we will certainly be needed.

"According to the most optimistic estimates, the new law of the seas administration would begin its work in perhaps 3 years assuming that the treaty is ratified by the necessary number of countries within 2 years. At that time mining operations could commence within a few years," thinks Manner.

The position of those countries which for the time being are outside of the treaty will in his opinion place their undersea operations including experimental operations and planning in an interesting situation.

"If they decide to commence the exploitation of the seabeds independently of the treaty, there could be serious international difficulties. On the contrary, countries included in the treaty as producers of technology will be in a position to strike first, which will give food for thought for those countries still adopting a negative attitude toward the treaty.

"It is also important to remember that many of the rights of states stipulated in the treaty concern only those countries which are a party to the treaty. Perhaps this will encourage them to sign the treaty," thinks Manner.

"Issues Have Been Discussed"

Nodule has not been an unknown term for a long time to the industry producing Finland's marine equipment. "We are examining the situation, we are following developments," states the industry now, perhaps adopting a slightly pessimistic attitude toward its own chances.

Four firms constructing marine equipment were contacted for a series of comments: the heavy weight Rauma-Repola and Wartsila firms as well as Hollming and Laivateollisuus, which produce slightly lighter equipment.

Rauma-Repola's Mantyluoto Shipyard is one of the largest builders of so-called semi-submersible oil rigs. In addition, it was the first shipyard to build oil rigs intended for Arctic conditions, which were delivered to the USSR. Maintenance ships and so-called submarine support ships used primarily for the needs of oil rigs have been built at Wartsila's shipyards in Turku. The consignment includes dredgers and crane ships intended for Nordic waters, these also for the Soviet Union.

Hollming has produced one of the most comprehensive oceanic research ships sailing on the world's seas, a real floating laboratory. Laivateollisuus, for its part, has delivered perhaps the world's longest series of research ships for geological and other purposes to the Soviet Union.

The equipment built by the Finns is primarily aimed at the exploration and pumping of oil. The jump to other minerals is not, however, impossible if suitable opportunities present themselves.

"Too Early to Say"

Tauno Matomaki, director of the marine engineering industry at Rauma-Repola, stated that his understanding is that it is too early to predict a "massive hunt for nodules".

"Basic research has not yet been completed. It is not known whether the minerals will be refined at sea, on land, or at the bottom of the sea. It is known that floating equipment will be needed, but whether it will consist of ships or something else is not yet known," enumerates Matomaki.

He doubts that minerals on the earth's surface have been depleted to such a degree that it is worthwhile to proceed with expensive mining operations at sea.

"The Americans are perhaps the primary leaders in the study of this area, and, as far as is known, even their plans are still on ice.

"I do not believe that Finns will be playing an important role in the near future," states Matomaki and regrets that information available in this area is a couple years behind.

"Information is concentrated in a couple places in the world and it is not being given to others."

Thus Matomaki as well as Director Per-Erik Sundman of Wartsila's Turku Shipyards have announced that they are, however, following developments.

"The issues have been discussed," states Sundman. At this point nothing more concrete can be said about this.

The builders of research ships are more optimistic. Graduate Engineer Jyrki Lehtonen of Laivateollisuus states that according to his understanding the research ships built by the Finns for the Soviet Union have also been used for the extraction of nodule samples.

"We are constructing the ships for general geological purposes, but hoists and other equipment have been developed rather extensively on the latest vessels, for example," states Lehtonen.

Aarno Mannonen, director of Hollming's metals section, who talks about "a large and unstudied area, which at this time is still primarily in the embryo stage, but, however, perhaps the basis for a future strategy", hints at some kind of plans.

10576

CSO: 3617/71

ENGINEERING METHODS TO LINK COUNTRY WITH AFRICA

Madrid MERCADO in Spanish 4-10 Feb 83 p 29

[Article by Osvaldo Natucci in 'Technology' section: "The Spain-Africa Connection"]

[Text] The options for effecting a permanent transportation link between Europe and Africa across the Straits of Gibraltar are of three types: a bridge, a sunken pipe or an underwater tunnel.

Consideration of the bridge as an option means, in principle, recognizing that the resultant technical problems are practically unsolvable in the present state of technology.

It is of course impossible to build a bridge without intermediate supports even over the shortest distance across the Straits, some 14 kilometers. Years ago the largest single span was built in one of the world's best-known works of engineering, the Golden Gate at San Francisco, that span having a length of 1,280 meters.

At the present time we can go far beyond that figure because of the greater elasticity of materials now used. In a bridge for the Straits of Messina, for example, they have made feasibility studies of spans longer than 3,000 meters.

But, if in the case of Gibraltar we were to use such distances between intermediate piers, the piers would have to be 800 meters high and 400 meters of that would be submerged, cemented to the bottom in the area where there is the least depth. This presents an inconvenience of the first order in spite of the new horizons opened up by the construction of offshore oil rigs.

Undoubtedly a bridge offers a series of advantages over the other options, especially in regard to the facility in using the transportation link it would provide. Nevertheless, the creation of a barrier of piers would, in view of the navigational characteristics of the straits, represent an unpredictable obstacle. Storms, fog or ships out of control could cause extremely serious accidents.

Fewer inconveniences are presented, on the other hand, by the submerged pipe. The pipe would be constructed with concrete sections reinforced with steel and submerged to a depth varying from 50 to 100 meters below sea level. The tendency for the pipe to float would be overcome by marine anchors with cables or chains.

In many ways this is an attractive option because it would take care of highway or railway traffic equally well besides allowing for ventilation, electrical, and other conduits. The construction would be easy and rapid, allowing for more conduits to be added if the number installed in the original project proves insufficient to handle the traffic load....

In calculations for the pipe, it is not necessary to allow for wind effect, a vital factor in the case of the bridge. Besides, not having a barrier of piers, there would be no obstacle to navigation and nor any temperature gradient problems. Let us add to this that a similar proposal has been made by the British firm Alan Grant and Partners in the competition for the highway link between Sicily and continental Italy.

Still and all, the characteristics of the Straits of Gibraltar present serious difficulties, both in respect to the bathymetry and the powerful marine currents. If we were to sink the pipe across the shortest route, we would have to deal with depths of up to 1,000 meters. This would mean that installation of the anchors would be even more complex.

As opposed to the bridge and sunken pipe options, which now present apparently unsolvable difficulties, there remains to be considered a third alternative. The underwater tunnel seems to be the most feasible option. Along this line then, studies have been made by the Labor Commission created in 1972; and others have also been done by SECEG (Spanish Society for Studies of a Fixed Transportation Link Across the Straits of Gibraltar) and its Moroccan counterpart SNED.

The general plan is to bore an underwater conduit in the earth below the bottom of the sea. Its entire length would then be used for digging various parallel tunnels to be used by railway and highway traffic. Later technical adjustment of the work plan would become possible as knowledge of the ground to be passed through increased as the work progressed.

Once finished, the project would consist of three tunnels, two twin one-way tunnels and a pilot tunnel for support and maintenance services. The order of construction would be, first, the pilot tunnel; next, a twin; and last, if thought necessary, the other. Construction would be carried out in the area of minimum depth, which would mean that each tunnel would be 47 kilometers long, 29 of those actually underwater, with a grade not to exceed 2 percent.

Main tunnels would be 6.85 meters in diameter; the pilot tunnel, 3.5 meters. The three would be situated in such a way that their centers would form an isosceles triangle. The triangle would have a base of 30 meters and a height of 6.4 meters, the base running horizontally and the vertex opposite the bottom.

The detailed report of the Study Group on this subject specifies that the pilot tunnel could be completed over a period of 5 years; the second tunnel in 4 years; and finally, the third tunnel and the second railway tunnel in approximately 3 or 4 years.

There also have been evaluated a series of international projects already completed, these having features common to the problems which would have to be faced for the Gibraltar link. Especially being studied is the Japanese experience with the Seikan tunnel which joins the islands of Hokkaido and Honshu. Its length is 53.9 kilometers, almost half of that under water at a maximum depth of 140 meters below the sea level.

Although engineers are favoring the underwater tunnel, the cost of the project has not yet been calculated. And although it is quite certain that a fixed link to unite the two continents across the Straits of Gibraltar has become no longer just a simple hope, it should still be emphasized that the Seikan tunnel, for example, was under study 25 years before construction was started.

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